

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2009**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223

**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**

**For the Year Ended June 30, 2009**

**ANNUAL FINANCIAL REPORT**

**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**

**CITY COUNCIL**

**TERM EXPIRES**

Jeff McKeown, Mayor

November 2010

Jon Eck, President

November 2012

Gene Melton

November 2012

Mark Daily

November 2010

John Pundt

November 2010

Joanie Johnson

November 2012

Stephanie Kramer

November 2010

All council members receive mail at the address listed below.

**ADMINISTRATION**

City Hall  
500 Central Avenue  
Coos Bay, OR 97420

**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**  
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**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**  
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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

- 
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
  - (503) 620-2632 • FAX (503) 684-7523

December 1, 2009

To the Honorable Mayor and  
Members of the City Council  
City of Coos Bay, Oregon

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and the discretely presented component unit of the City of Coos Bay, Oregon, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the discretely presented component unit information of the City of Coos Bay, Oregon, at June 30, 2009, and the results of its operations and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statement. The Supplementary Information, including budgetary comparison schedules as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Supplementary Information and Other Financial Schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Management Discussion and Analysis, as listed on the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

*Pauly, Rogers and Co., P.C.*  
PAULY, ROGERS AND CO., P.C.

## REPORT LAYOUT

The City's annual financial report consists of several sections. Taken together they provide a comprehensive look at the City. The components of the report include the following:

**Management's Discussion and Analysis.** This section of the report provides financial highlights, overview and economic factors affecting the City.

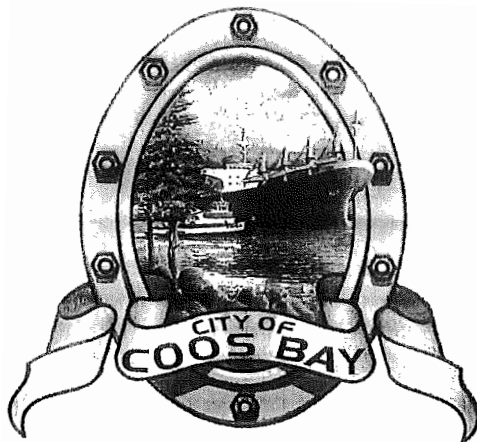
**Basic Financial Statements.** Includes Statement of Net Assets, Statement of Activities, fund financial statements and the notes to the financial statements. Statements of Net Assets and Activities focus on an entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the City.

- The Statement of Net Assets focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the community owns (excluding infrastructure), the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts.
- The Statement of Activities focuses on gross and net costs of the city programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Governmental Funds." Budgetary comparison statements are presented for the General Fund and the Jurisdictional Exchange Reserve Fund. Statements for the City's proprietary funds follow the governmental funds and include net assets, revenue, expenses, and changes in fund net assets, and cash flows. Budgetary comparisons are presented for the Wastewater Fund.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.

**Other Supplementary Information.** Readers desiring additional information on non-major funds can find it in the Combining Statements of Non-major Funds and/or the Supplementary Information-Budgetary Comparison sections of this report. Components within this section include:

- Combining Statements. Major funds are included within the Basic Financial Statements, whereas non-major funds are presented here. These statements include balance sheets and statements of revenues, expenditures and changes in fund balances.
- Budgetary Comparisons. Budgetary information for all funds, except General, Jurisdictional Exchange Reserve, and Wastewater, which are presented in the Basic Financial Statements, are presented here.
- Capital Assets and Other Financial Schedules complete the Financial Section of the report.

**Reports by independent certified public accountants.** Supplemental communication on City compliance and internal controls as required by Oregon statutes.



# City of Coos Bay

*Office of the City Manager*

500 Central Avenue, Coos Bay, Oregon 97420 • Phone 541-269-8912  
Fax 541-267-5912 • <http://www.coosbay.org>

## MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Year Ended June 30, 2009

This discussion and analysis presents the highlights of financial activities and financial position for the City of Coos Bay (City). The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the City.

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. Please read it in conjunction with the City's financial statements (beginning on page 10).

### FINANCIAL HIGHLIGHTS

The City's net assets decreased \$985,431 (or 0.7%) from approximately \$147.7 million (in FYE08) to approximately \$147 million (in FYE09). Capital Assets increased \$717,126 (or 0.6%) from approximately \$112.6 million (in FYE08) to approximately \$113.4 million (in FYE09). Governmental capital assets declined \$729,001 from approximately \$101 million in FYE08 to approximately \$101.7 million in FYE09. Business-type capital assets increased approximately \$1.5 million (or 11%) from approximately \$11.6 million (in FYE08) to approximately \$13.1 million (in FYE09) primarily due to rehabilitation of aged infrastructure. Investment in Joint Venture increased \$483,779 (or 2.2%) from approximately \$21 million (in FYE08) to approximately \$21.6 million (in FYE09). General Obligation (GO) Bond Liability increased from approximately \$6.2 in FYE08 to \$12.3 million in FYE09 (or 98%) offset by \$6.9 million in GO bonds sold in April 2009 for the construction of a new fire station (as approved by voters in May 2008).

Governmental net assets decreased approximately \$2.2 million from approximately \$132.9 million in FYE08 to approximately \$130.70 million in FYE09 primarily due to a downturn in the national economy and an increase in operational costs. Personnel costs primarily increased due to contracted and non-represented wages increasing 5%, the reallocation of payroll costs to wastewater resulting in increased accrued absence liability due to 44% of workforce's eligibility for sick-time payout at retirement (10 years or more of service), and approximate 6% increase in health care costs and an overall increase in operational costs (e.g. fuel and utilities).

Business-type activities revenue increased \$162,797 (or 3.5%) from approximately \$4.4 million (in FYE08) to approximately \$4.6 million (in FYE09) due to the combination of a \$135,069 (or 3%) increase in wastewater revenues from approximately \$3.7 million (FYE08) to \$3.9 million (FYE09) due to the City implemented 5% increase in 2008 offset by a \$41,736 (or 18%) decrease in building revenues from \$229,524 in FYE08 to \$187,788 in FYE09 due primarily to decline in permit activity.

Business-type activities expenses decreased slightly (\$73,048) overall due to a combined \$241,138 increase in wastewater expenses from \$2.6 million (in FYE08) to \$2.9 million (in FYE09) plus a \$305,527 decrease in building expenses from \$612,633 in FYE08 to \$305,527 in FYE09.



## CITY AS A WHOLE

### Government-Wide Financial Statements

**Table 1**  
**Net Assets at Fiscal Year-End**  
(in millions)

	Governmental Activities		Business-type Activities		Total Government
	2009	2008	2009	2008	2009
Cash and investments	\$15.5	\$10.9	\$3.0	\$3.4	18.5
Other assets	23.2	22.7	0.4	0.5	23.6
Capital assets	100.3	101.0	13.1	11.6	113.4
Long term receivables	5.3	5.7	0.0	0.0	5.3
Total assets	144.3	140.3	16.5	15.5	160.8
Other liabilities	1.3	1.2	0.36	0.7	1.5
Long term debt outstanding	12.3	6.2	0.0	0.0	12.3
Total liabilities	13.6	7.4	0.36	0.7	13.8
Net assets:					
Invested in capital assets, net of debt	88.6	95.5	13.1	11.6	101.7
Invested in Joint Venture	21.6	21.0	0.0	0.0	21.6
Restricted	5.1	0.7	1.0	1.1	6.2
Unrestricted	15.4	15.7	1.9	2.1	17.5
Total net assets	130.7	\$132.9	16.0	\$14.8	146.7

#### Statement of Net Assets at June 30, 2009:

The City's net assets decreased \$985,431 (or 0.6%) from approximately \$147.7 million to approximately \$146.7 million. Capital Assets increased \$717,126 (or 0.6 %) from approximately \$112.6 million to approximately \$113.4 million primarily due to a \$729,001 decline in governmental type capital assets from approximately \$101 million in FYE08 to approximately \$100.3 million in FYE09 due to a retroactive adjustment offset by an approximate \$1.5 million (or 11%) increase in business type capital assets from approximately \$11.6 million to approximately \$13.1 million primarily due to rehabilitation of aged infrastructure. Investment in Joint Venture increased \$483,779 (or 2.2%) from approximately \$21 million to approximately \$21.6 million. General Obligation (GO) Bond Liability increased from approximately \$6.2 in FYE08 to \$12.3 million in FYE09 (or 98%) offset by \$6.9 million in GO bonds sold in April 2009 for the construction of a new fire station (as approved by voters in May 2008).

Governmental net assets decreased approximately \$2.2 million from approximately \$132.9 million in FYE08 to approximately \$130.70 million in FYE09 primarily due to a downturn in the national economy and an increase in operational costs. Personnel costs primarily increased due to contracted and non-represented wages increasing 5%, the reallocation of payroll costs to wastewater resulting in increased accrued absence liability due to 44% of workforce's eligibility for sick-time payout at retirement (10 years or more of service), and approximate 6% increase in health care costs and an overall increase in operational costs (e.g. fuel and utilities).

#### Business Activities:

Business-type net assets increased approximately \$1.2 million (or 8%) from approximately \$14.8 million in FYE08 to approximately \$16.1 million due primarily to capital assets increasing \$1,446,127 (or

(approx 13%) from \$11.64 million in FYE08 to \$13.09 million in FYE09 (net of additions, retirements, retroactive adjustments and accumulated depreciation).

### Joint Venture

In 2006-2007 the City's agreement and participation with the Water Board was reviewed. At that time Coos Bay's 50% equity interest in the Coos Bay North Bend Water Board Investment in the Joint Venture was determined to be best reflected as a joint venture relationship in the Statement of Net Assets and Statement of Activities.

Coos Bay's 50% equity interest in the Coos Bay North Bend Water Board Investment in the Joint Venture increased by \$483,779 (or approximately 2.3%) from \$21,070,203 to \$21,553,982.

### Business-type Activities

The increase in net assets for the business-type activities is due to an increase in user charges in the wastewater fund and decreased expenditures in the building codes fund.

A portion of the year-end net assets is restricted for specific purposes. The restrictions represent legal or contractual limitations on how the assets may be expended. Within the governmental activities category are bond proceeds and taxes limited to repayment of debt, and the corpus of the jurisdictional exchange proceeds that are restricted from expenditure by City charter. Within the business-type activities are monies restricted for capital projects and building codes revenues are restricted to the building codes program by City Charter.

### Statement of Activities for the Year Ended June 30, 2009:

Table 2  
Governmental and Proprietary Activities  
For Fiscal Year Ending June 30, 2009  
(in millions)

	Governmental Activities		Business-type Activities		Total Government
	2009	2008	2009	2008	2009
<b>REVENUES</b>					
Program revenues					
Charges for services	\$1.16	\$0.8	\$4.09	\$4.0	\$5.25
Grants and contributions	0.01	0.6	0.00	0.0	0.02
Capital contributions	0.00	0.0	0.00	0.0	0.00
General revenues					
Taxes	6.78	6.2	0.00	0.0	6.78
Interest	0.01	0.6	0.07	0.1	0.08
Other	3.67	3.1	0.40	0.1	4.04
Total revenues	11.63	11.3	4.56	4.2*	16.28
<b>EXPENSES</b>					
Governmental activities	13.86	13.7	0.00	0.0	13.86
Business-type activities	0.0	0.0	3.33	3.2	3.19
Total expenses	13.86	13.7	3.33	3.0	17.05
Transfers	0.01	0.1	(0.01)	(0.1)	0.00
Increase in net assets	(2.22)	(2.5)	1.22	1.1	(0.98)

Beginning net assets	<u>132.9</u>	<u>135.4</u>	<u>14.8</u>	<u>13.7</u>	<u>147.7</u>
Ending net assets	<u><u>\$130.7</u></u>	<u><u>\$132.9</u></u>	<u><u>\$16.1</u></u>	<u><u>\$14.8</u></u>	<u><u>\$146.8</u></u>

## Governmental Activities

General Revenues increased \$378,140 from approximately \$11.3 million in FYE08 to approximately \$11.65 million in FYE09. Taxes increased \$677,720 (or 10%) from approximately \$6.2 million in FYE08 to approximately \$6.78 million in FYE09. The levy for bonded indebtedness increased \$498,398 (or 96%) from \$23,144 in FYE08 to \$521,542 in FYE09. Charges for services increased \$409,811 (or 35%) from approximately \$0.8 million in FYE08 to approximately \$1.16 million in FYE09 primarily due to the resolution in June 2008 amending fees for governmental services. Other (e.g. rent, moorage, recoveries) increased approximately \$0.49 million from approximately \$3.1 million in FYE08 to approximately \$3.67 million in FYE09.

General Revenues decreased or remained flat primarily due to an overall national economic downturn. 1) Investment earnings declined approximately \$.59 (or 97%) million from approximately \$0.6 million in FYE08 to approximately \$0.01 million in FYE09 as evidenced by "charges for use and money and property" in the General Fund declining \$116,837 (or 48%) from \$242,745 in FYE08 to \$125,908 in FYE09. 2) Grants decreased \$592,765 (or 97%) from approximately \$0.6 million in FYE08 to approximately \$0.02 million in FYE09. 3) Intergovernmental Revenue declined \$226,503 (or 18.6%) from approximately \$1.4 million in FYE08 to \$1.2 million in FYE09 primarily due to a \$65,710 (or 10.3%) decrease in State Gas Tax from \$699,510 in FYE08 to \$633,800 in FYE09 and a \$101,436 (or 22%) decrease in Transient Room Tax from \$561,260 in FYE08 to \$459,824 in FYE0. 4) Franchise fees remained flat with a \$313 (or .02%) increase from \$1,391,274 in FYE08 to \$1,391,587 in FYE09.

City wide expenses increased \$137,441 from \$17,048,575 in FYE08 to \$17,186,016 (FYE09) due primarily due to management reallocation, elimination, reorganization and reduction of general government costs. Payroll costs in the general fund were reallocated to the wastewater fund and urban renewal agency management. Janitorial services were contracted and that represented position was reassigned. One other non-represented position was eliminated and a second was reorganized as urban renewal agency management (Economic Development). Non-discretionary spending was cut with the result that general government expenses increased \$64,393 (or .0046%) from approximately \$13.7 million in FYE08 to approximately \$13.86 in FYE09 and business-type expenses increased \$73,048 (or 0.02%) from approximately \$3.2 million FYE08 to approximately \$3.32 million in FYE09.

### Business-type Activities:

Business-type activities revenue increased \$93,333 (or 2.28%) from \$4,003,132 to \$4,096,465 due to the combination of a \$135,069 (or 3.46%) increase in wastewater revenues from \$3,773,608 in FYE08 to \$3,908,677 primarily due to the City implemented 5% increase in 2008 offset by a \$41,736 (or 18.18%) decrease in building revenues from \$229,524 in FYE08 to \$187,788 in FYE09 due primarily to decline in permit activity.

Business-type activities expenses increased by \$73,048.

## BUDGETARY HIGHLIGHTS

The City's General Fund Appropriations increased \$3,328,574 (or 44.9%) from \$7,405,027 in FYE08 to \$10,733,601 in FYE09. Actual operating costs within the General Fund, approximately \$7 million, were 66% of the final budget. General Fund expenses were controlled primarily by management reallocation, elimination, reorganization and reduction of general government payroll costs. Non-discretionary spending was cut with the result that general government expenses increased \$64,393 (or .0046%) from

spending was cut with the result that general government expenses increased \$64,393 (or .0046%) from approximately \$13.8 million in FYE08 to approximately \$13.86 in FYE09 and business-type expenses increased \$73,048 (or 0.02%) from approximately \$3.2 million FYE08 to approximately \$3.3 million in FYE09.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of June 30, 2009 the City had invested \$113.4 million in capital assets as reflected in the following table. This represents a \$ 0.9 million net increase for current year activity (additions, deductions and depreciation).

**Table 3**  
**Capital Assets at Fiscal Year-End**  
**(Net of Depreciation)**  
(in millions)

	Governmental		Business-type		Totals	
	2009	2008	2009	2008	2009	2008
Land & assets not depreciated	\$1.8	\$0.49	\$0.0	\$0.0	\$1.8	\$0.49
Land improvements	0.6	1.5	0.1	0.2	0.7	1.7
Buildings & improvements	4.5	4.8	0.0	0.0	4.5	4.8
Machinery & equipment	0.8	0.7	1.4	1.4	2.2	2.1
Vehicles	1.0	1.0	0.6	0.4	1.6	1.4
Infrastructure - streets	89.6	92.4	0.0	0.0	89.6	92.4
Plant and systems	0	0	9.8	9.4	9.8	9.4
Work in progress	2.0	.01	1.2	0.2	3.2	0.21
<b>Total</b>	<b>\$100.3</b>	<b>\$100.9</b>	<b>\$13.1</b>	<b>\$11.6</b>	<b>\$113.4</b>	<b>\$112.6</b>

The following table reconciles the change in capital assets. Additions include assets acquired or under construction at year-end. Reductions are for disposition of assets and depreciation.

**Table 4**  
**Change in Capital Assets**  
(in millions)

	Governmental	Business-type	Total
	Activities	Activities	
Beginning balance	\$101.0	\$11.6	\$112.6
Additions	3.8	2.3	6.1
Retirement	(0.4)	(0.2)	(0.6)
Retroactive adjustment	(0.1)	0.0	(0.1)
Depreciation	(4.0)	(0.6)	(4.6)
<b>Ending balance</b>	<b>\$100.3</b>	<b>\$13.1</b>	<b>\$113.4</b>

Capital Assets from governmental activities decreased \$0.7 million primarily due to \$2.1 million Construction in Progress (CIP) offset by the retroactive adjustment of depreciable land/improvements to non-depreciable land and ongoing infrastructure depreciation.

Business-type activities' capital assets increased \$1.5 million primarily due to \$1.1 million Construction in Progress (CIP) plus \$1.1 million in additions primarily due to rehabilitation of aged infrastructure.

**Debt Outstanding**

As of year-end, the City had approximately \$13.0 million in debt outstanding compared to \$6.9 million last year including compensated absences. \$572,716 of the debt outstanding at June 30, 2009 is due within one year, along with \$496,934 in interest.

**Table 5**  
**Outstanding Debt at Fiscal Year End**  
(in millions)

	Totals	
	2009	2008
<b>Governmental:</b>		
Compensated absences	\$0.8	\$0.7
General obligations	6.5	0.0
Revenue bonds	5.2	5.5
Loan Payable	0.4	0.6
Revenue secured loans	0.1	0.1
Sub-total	13.0	6.9
<b>Business-type</b>	0.0	0.0
<b>Total</b>	\$13.0	\$6.9

The City's water bonds and loans are paid from water revenues passed through from the Coos Bay-North Bend Water Board, Joint Venture. Standard & Poor's Rating Services has rated the City's water obligations A+. Standards & Poor's Rating Service has rated the City's 2009 GO Bonds AAA based upon insurance provided by Assured Guarantee. For more detailed information on the City's debt and amortization terms refer to pages 30-33 of the notes.

**FUND-BASED FINANCIAL ANALYSIS**

**Governmental funds.** The **General Fund** is the chief operating fund of the City. At June 30, 2009 the fund balance, which is all unreserved, was \$3.6 million. The fund balance represents 48% of the revenues for 2008-09, which is adequate to cover expenditures prior to November when a significant portion of property tax revenues are received.

The **Jurisdictional Exchange Fund** was formed when the City took over 23 lane miles from the State of Oregon in exchange for \$4.8 million. The corpus of these monies is restricted from expenditure by City charter. Fund balance at June 30, 2009 was \$4.9 million. During 2008-2009, this money earned \$106,623 in interest revenue. All amounts over the \$4.8 can be used to maintain and improve the 23 lane miles.

**Business-type funds.** The **Major Wastewater Fund** is used to account for the operations of the wastewater treatment facilities, and sanitary sewer and storm water systems. The primary source of revenue is charges for service. The City implemented a 17% increase to user rates in June 2006, a 25% increase in June 2007, a 5% increase in 2008 and a 6.5% increase is scheduled for June 2009. The Major Wastewater Fund balance June 30, 2009 is approximately \$1.5 million.

The **Wastewater Reserve Fund** is used to account for the capital expenditures of the wastewater treatment facilities, and sanitary sewer and storm water systems. The primary source of revenue is the transfer of charges for services collected in the Major Wastewater Fund. The Wastewater Reserve Fund balance June 30, 2009 is approximately \$1 million. Capital projects earmarked include Oregon Dept. of Environmental Quality mandated upgrades to the wastewater treatment facilities and ongoing rehabilitation of pump stations and collection lines.

## **ECONOMIC FACTORS**


Like all cities in Oregon, the City is operating under Measure 50, the ad valorem tax limitation measure approved by voters on May 20, 1997. This measure rolled back assessed values to 1995-96 levels and effectively limited increased property tax revenues the City could anticipate in future years to a maximum of 3 percent, with permitted allowances for increasing valuations based on new construction. No substantive changes to the basic provisions of Measure 50 have been enacted during subsequent Oregon Legislative sessions.

In 2002 and 2003, some City programs were reduced, and a number of positions were eliminated in order for the City to downsize its budget to meet the limited revenues resulting from Measure 50 and the general downturn in economic conditions. In recent years, some of those positions were reinstated and other new positions have been created as funding has allowed. In FYE09 several positions were reorganized or contracted to curtail rising labor costs in a downturned economy.

The City's business-type activities are funded via utility charges for the Wastewater Fund and license and permit fees for the Building Codes Fund. The City Council authorized a 6.5% Wastewater Rates increase per the rate study plan.

## **FINANCIAL CONTACT**

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, please contact the City's Finance Director at 500 Central Avenue, Coos Bay, Oregon 97420.



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Rae Lea Cousens  
City of Coos Bay  
Finance Director

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

CITY OF COOS BAY  
COOS COUNTY, OREGON

STATEMENT OF NET ASSETS  
June 30, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Coos Bay Urban Renewal Agency
<b>ASSETS</b>				
Cash and Investments	\$ 15,450,175	\$ 2,961,506	\$ 18,411,681	\$ 6,676,476
Receivables (net of allowance for uncollectibles)	1,416,793	366,178	1,782,971	145,059
Supply Inventory	18	-	18	-
Investment in Joint Venture	21,553,982	-	21,553,982	-
Unamortized Debt Issuance Difference	269,088	-	269,088	-
Capital Assets:				
Capital Assets (net of accumulated depreciation)	100,260,789	13,089,157	113,349,946	2,762,385
Noncurrent Assets:				
Note receivable - due within one year	228,113	-	228,113	-
Note receivable - due in more than one year	5,102,682	-	5,102,682	-
<b>Total Assets</b>	<b>144,281,640</b>	<b>16,416,841</b>	<b>160,698,481</b>	<b>9,583,920</b>
<b>LIABILITIES</b>				
Accounts Payable	305,815	314,337	620,152	119,473
Payroll and Payroll Taxes Payable	83,933	-	83,933	-
Interest Payable	39,051	-	39,051	19,362
Accrued Vacation	781,021	50,171	831,192	-
Bond Discount/Premium	146,721	-	146,721	-
Noncurrent Liabilities:				
Due Within One Year:				
Revenue Secured Loans Payable	3,113	-	3,113	-
Bonds Payable	470,000	-	470,000	527,464
Note Payable	99,603	-	99,603	-
Due in More Than One Year:				
Revenue Secured Loans Payable	107,682	-	107,682	-
Bonds Payable	11,190,000	-	11,190,000	4,813,692
Note Payable	381,241	-	381,241	-
<b>Total Liabilities</b>	<b>13,608,180</b>	<b>364,508</b>	<b>13,972,688</b>	<b>5,479,991</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, net of related debt	88,600,789	13,089,157	101,689,946	(305,397)
Restricted for:				
Capital Projects	5,023,677	984,909	6,008,586	-
Debt Service	108,391	-	108,391	765,231
Unrestricted	36,940,603	1,978,267	38,918,870	3,644,095
<b>Total Net Assets</b>	<b>\$ 130,673,460</b>	<b>\$ 16,052,333</b>	<b>\$ 146,725,793</b>	<b>\$ 4,103,929</b>

The accompanying notes are an integral part of this statement.



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2009**

<u>Functions/Programs</u>	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
<b>Primary Government</b>			
<b>Governmental Activities</b>			
General Government	\$ 1,434,095	83,807	8,000
Public Safety	7,627,055	807,082	4,726
Public Works	2,918,198	186,356	-
Culture and Recreation	1,561,992	85,389	4,218
Interest on Long-term Debt	319,043	-	-
<b>Total Governmental Activities</b>	<b>13,860,383</b>	<b>1,162,634</b>	<b>16,944</b>
<b>Business-Type Activities</b>			
Wastewater	3,020,106	3,908,677	-
Building Codes	305,527	187,788	-
<b>Total Business-Type Activities</b>	<b>3,325,633</b>	<b>4,096,465</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 17,186,016</b>	<b>\$ 5,259,099</b>	<b>\$ 16,944</b>
<b>Component Unit</b>			
Coos Bay Urban Renewal Agency	<b>\$ 725,814</b>	<b>\$ -</b>	<b>\$ -</b>

**General Revenues**

Taxes:

Property

Transient Occupancy

Other Taxes

Intergovernmental

Franchise Fees

Gain (Loss) on Joint Venture

Rent Income

Investment Earnings

Miscellaneous

Gain (Loss) on disposal of assets

Transfers

**Total General Revenues and Transfers**

**Change in Net Assets**

**Net Assets - beginning of year**

**Net Assets - end of year**

The accompanying notes are an integral part of this statement.

Net Revenue (Expenses) and Changes in Net Assets			Component Unit
Governmental Activities	Business-Type Activities	Total	Coos Bay Urban Renewal Agency
\$ (1,342,288)	\$ -	\$ (1,342,288)	\$ -
(6,815,247)	-	(6,815,247)	-
(2,731,842)	-	(2,731,842)	-
(1,472,385)	-	(1,472,385)	-
(319,043)	-	(319,043)	-
<u>(12,680,805)</u>	<u>-</u>	<u>(12,680,805)</u>	<u>-</u>
-	888,571	888,571	-
-	(117,739)	(117,739)	-
-	770,832	770,832	-
<u>\$ (12,680,805)</u>	<u>\$ 770,832</u>	<u>(11,909,973)</u>	<u>-</u>
-	-	-	(725,814)
5,457,464	-	5,457,464	1,316,106
459,824	-	459,824	-
866,082	-	866,082	-
1,217,848	271,876	1,489,724	-
1,391,587	-	1,391,587	-
483,779	-	483,779	-
292,841	-	292,841	3,032
13,066	75,017	88,083	146,923
373,288	131,833	505,121	-
(109,963)	-	(109,963)	-
24,800	(24,800)	-	-
<u>10,470,616</u>	<u>453,926</u>	<u>10,924,542</u>	<u>1,466,061</u>
(2,210,189)	1,224,758	(985,431)	740,247
<u>132,883,649</u>	<u>14,827,575</u>	<u>147,711,224</u>	<u>3,363,682</u>
<u>\$ 130,673,460</u>	<u>\$ 16,052,333</u>	<u>\$ 146,725,793</u>	<u>\$ 4,103,929</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2009**

	GENERAL FUND	FIRE STATION FUND	JURISDICTIONAL EXCHANGE RESERVE	OTHER GOVERNMENTAL	TOTAL
<b>ASSETS:</b>					
Cash and Investments	\$ 3,378,843	\$ 5,201,466	\$ 4,982,413	\$ 1,887,453	\$ 15,450,175
Inventory	18	-	-	-	18
Receivables, net					
Taxes	546,098	-	-	35,408	581,506
Accounts	293,506	-	-	225,896	519,402
Assessments	86,593	-	-	2,883	89,476
Loans	226,409	-	-	-	226,409
Prepaid Expenses	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 4,531,467</b>	<b>\$ 5,201,466</b>	<b>\$ 4,982,413</b>	<b>\$ 2,151,640</b>	<b>\$ 16,866,986</b>
<b>LIABILITIES AND FUND EQUITY:</b>					
Liabilities:					
Accounts Payable	\$ 76,312	\$ 177,789	\$ -	\$ 51,714	\$ 305,815
Payroll and Payroll Taxes Payable	83,933	-	-	-	83,933
Deferred Revenues	291,589	-	-	31,181	322,770
Deferred Taxes	459,975	-	-	-	459,975
Matured Interest Payable	-	-	-	213	213
<b>Total Liabilities</b>	<b>911,809</b>	<b>177,789</b>	<b>-</b>	<b>83,108</b>	<b>1,172,706</b>
Fund Equity:					
Fund Balances:					
Reserved for					
Debt Service	-	-	-	108,391	108,391
Capital Outlay	-	-	4,982,413	-	4,982,413
Unreserved, reported in					
General Fund	3,619,658	-	-	-	3,619,658
Special Revenue Funds	-	-	-	858,210	858,210
Capital Projects Funds	-	5,023,677	-	1,101,931	6,125,608
<b>Total Fund Balance</b>	<b>3,619,658</b>	<b>5,023,677</b>	<b>4,982,413</b>	<b>2,068,532</b>	<b>15,694,280</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 4,531,467</b>	<b>\$ 5,201,466</b>	<b>\$ 4,982,413</b>	<b>\$ 2,151,640</b>	<b>\$ 16,866,986</b>

The accompanying notes are an integral part of this statement.

CITY OF COOS BAY  
COOS COUNTY, OREGON

RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO STATEMENT OF NET ASSETS

June 30, 2009

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

Fund Balances		\$	15,694,280
<p>The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net assets includes those capital assets among the assets of the City as a whole.</p>			
Net Capital Assets			100,260,789
<p>Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net assets.</p>			
General Obligation Bonds	\$	(11,660,000)	
Revenue Bonds		(110,795)	
Bond Premium		(146,721)	
Notes and Contracts Payable		(480,844)	
Debt Issuance Difference		269,088	
Accrued Interest		(38,838)	
Net Adjustment			(12,168,110)
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>			
Accrued Vacation			(781,021)
<p>Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.</p>			
Deferred Revenue			782,745
Joint Venture Note Receivable			5,330,795
Joint Venture Equity Investment			21,553,982
Total Net Assets		\$	130,673,460

The accompanying notes are an integral part of this statement.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2009**

	GENERAL FUND	FIRE STATION FUND	JURISDICTIONAL EXCHANGE RESERVE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>					
Property Taxes	\$ 4,898,142	\$ -	\$ -	\$ 521,542	\$ 5,419,684
Other Taxes	-	-	-	1,325,906	1,325,906
Franchise Fees	1,391,587	-	-	-	1,391,587
Licenses and Permits	127,707	-	-	-	127,707
Intergovernmental	-	-	-	1,561,573	1,561,573
Grants	-	-	-	8,000	8,000
Other-Timber Sales	-	-	-	58,700	58,700
Charges for Services	567,430	-	-	94,035	661,465
Interest on Investments	-	13,066	-	-	13,066
Charges for use of money and property	125,908	-	106,623	60,310	292,841
Fines and Forfeitures	373,461	-	-	-	373,461
Miscellaneous	32,910	22	-	216,168	249,100
<b>Total Revenues</b>	<b>7,517,145</b>	<b>13,088</b>	<b>106,623</b>	<b>3,846,234</b>	<b>11,483,090</b>
<b>EXPENDITURES</b>					
Current:					
General Government	1,046,920	-	-	-	1,046,920
Public Safety	5,308,826	-	-	259,088	5,567,914
Public Works	732,643	-	-	1,397,704	2,130,347
Culture and Recreation	-	-	-	1,140,288	1,140,288
Capital Outlay	-	1,975,728	326,796	639,870	2,942,394
Debt Service:					
Principal Retirement	-	-	95,620	794,781	890,401
Interest and Fiscal Charges	-	-	22,474	277,476	299,950
<b>Total Expenditures</b>	<b>7,088,389</b>	<b>1,975,728</b>	<b>444,890</b>	<b>4,509,207</b>	<b>14,018,214</b>
Excess of Revenues Over (Under) Expenditures	428,756	(1,962,640)	(338,267)	(662,973)	(2,535,124)
<b>Other Financing Sources, (Uses)</b>					
Bonds Proceeds	-	6,986,317	-	-	6,986,317
Transfers In	52,000	-	-	530,255	582,255
Transfers Out	(336,070)	-	-	(221,385)	(557,455)
<b>Total Other Financing Sources, (Uses)</b>	<b>(284,070)</b>	<b>6,986,317</b>	<b>-</b>	<b>308,870</b>	<b>7,011,117</b>
Net Change in Fund Balance	144,686	5,023,677	(338,267)	(354,103)	4,475,993
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>3,457,040</b>	<b>-</b>	<b>5,320,680</b>	<b>2,440,567</b>	<b>11,218,287</b>
Prior Period Adjustment	17,932	-	-	(17,932)	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 3,619,658</b>	<b>\$ 5,023,677</b>	<b>\$ 4,982,413</b>	<b>\$ 2,068,532</b>	<b>\$ 15,694,280</b>

The accompanying notes are an integral part of this statement.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS - TO  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2009**

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

Excess of Revenues over Expenditures \$ 4,475,993

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capitalized Additions	\$	3,704,796	
Disposal of Capital Assets, net		(109,963)	
Depreciation Expense		(4,323,834)	
Net Adjustment			(729,001)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. This adjustment combines the net changes in liability balances.

Amortization of Bond Issue Difference	\$	(16,818)	
Amortization of Bond Premium/Discount		(82,542)	
GO Bonds, Notes and Contracts Payable		(6,009,599)	
Accrued Vacation		(94,439)	
Net Adjustment			(6,203,398)

Under the accrual basis of accounting, interest on long-term debt is accrued when payments are not due until after year end.

Accrued Interest			(6,050)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes	\$	37,781	
Other Receivables		65,488	
Net Adjustment			103,269

The payments from joint ventures are recorded in the governmental funds as revenue because they provide current financial resources. In the Statement of Activities, the payments reduce the receivable from the joint venture.

Decrease in Joint Venture Receivable			(334,781)
Gain (Loss) from Joint Venture			483,779
Change in Net Assets			\$ (2,210,189)

The accompanying notes are an integral part of this statement.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
June 30, 2009**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER EQUIPMENT RESERVE	NON-MAJOR ENTERPRISE FUNDS	
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 1,374,182	\$ 1,094,386	\$ 492,938	\$ 2,961,506
Receivables				
Accounts Receivable, net	366,178	-	-	366,178
Capital Assets, net	13,089,157	-	-	13,089,157
Total Assets	14,829,517	1,094,386	492,938	16,416,841
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable and Accrued Liabilities	198,420	109,477	6,440	314,337
Accrued Vacation	39,546	-	10,625	50,171
Total Liabilities	237,966	109,477	17,065	364,508
Net Assets				
Invested in Capital Assets, net of related debt Reserved for	13,089,157	-	-	13,089,157
Capital Projects	-	984,909	-	984,909
Unreserved	1,502,394	-	475,873	1,978,267
Total Net Assets	\$ 14,591,551	\$ 984,909	\$ 475,873	\$ 16,052,333

The accompanying notes are an integral part of this statement.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS**

**For the Year Ended June 30, 2009**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER EQUIPMENT RESERVE	NONMAJOR ENTERPRISE FUNDS	
<b>OPERATING REVENUES</b>				
Licenses and Permits	\$ -	\$ -	\$ 187,788	\$ 187,788
Intergovernmental	271,876	-	-	271,876
Charge for Services	3,908,677	-	-	3,908,677
<b>Total Operating Revenues</b>	<b>4,180,553</b>	<b>-</b>	<b>187,788</b>	<b>4,368,341</b>
<b>OPERATING EXPENSES</b>				
Personal Services	506,232	-	251,206	757,438
Materials and Services	1,660,398	49,190	44,321	1,753,909
Capital Outlay	-	198,601	10,000	208,601
Depreciation Expense	605,685	-	-	605,685
<b>Total Operating Expenses</b>	<b>2,772,315</b>	<b>247,791</b>	<b>305,527</b>	<b>3,325,633</b>
<b>Income, (Loss) From Operations</b>	<b>1,408,238</b>	<b>(247,791)</b>	<b>(117,739)</b>	<b>1,042,708</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest on Investments	50,815	12,426	11,776	75,017
Other Revenue (Expenses)	120,118	11,676	39	131,833
<b>Total non-operating Revenues</b>	<b>170,933</b>	<b>24,102</b>	<b>11,815</b>	<b>206,850</b>
<b>Income, (Loss) Before Transfers</b>	<b>1,579,171</b>	<b>(223,689)</b>	<b>(105,924)</b>	<b>1,249,558</b>
<b>TRANSFERS</b>				
Transfers In	-	128,000	-	128,000
Transfers Out	(149,800)	-	(3,000)	(152,800)
<b>Total Transfers</b>	<b>(149,800)</b>	<b>128,000</b>	<b>(3,000)</b>	<b>(24,800)</b>
<b>Change in Net Assets</b>	<b>1,429,371</b>	<b>(95,689)</b>	<b>(108,924)</b>	<b>1,224,758</b>
<b>Beginning Net Assets</b>	<b>13,162,180</b>	<b>1,080,598</b>	<b>584,797</b>	<b>14,827,575</b>
<b>Ending Net Assets</b>	<b>\$ 14,591,551</b>	<b>\$ 984,909</b>	<b>\$ 475,873</b>	<b>\$ 16,052,333</b>

The accompanying notes are an integral part of this statement.



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
For the Year Ended June 30, 2009**

	Business-type Activities			TOTAL PROPRIETARY
	MAJOR WASTEWATER	WASTEWATER EQUIPMENT RESERVE	NONMAJOR ENTERPRISE	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 4,277,045	\$ -	\$ 191,815	\$ 4,468,860
Payments to Suppliers	(1,771,572)	(476,443)	(56,290)	(2,304,305)
Payments to Employees	(466,686)	-	(245,048)	(711,734)
Net Cash Provided by Operating Activities	<u>2,038,787</u>	<u>(476,443)</u>	<u>(109,523)</u>	<u>1,452,821</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of Capital Assets	(2,051,812)	-	-	(2,051,812)
Other Revenue (Expenses)	170,933	24,102	11,815	206,850
Transfers from Other Funds	-	128,000	-	128,000
Transfers to Other Funds	(149,800)	-	(3,000)	(152,800)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,030,679)</u>	<u>152,102</u>	<u>8,815</u>	<u>(1,869,762)</u>
Net Increase, (Decrease) in Cash and Cash Equivalents	8,108	(324,341)	(100,708)	(416,941)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>1,366,074</u>	<u>1,418,727</u>	<u>593,646</u>	<u>3,378,447</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,374,182</u>	<u>\$ 1,094,386</u>	<u>\$ 492,938</u>	<u>\$ 2,961,506</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income	\$ 1,408,238	\$ (247,791)	\$ (117,739)	\$ 1,042,708
Adjustments				
Depreciation/Amortization	605,685	-	-	605,685
(Increase), Decrease in Accounts Receivable	(45,328)	-	-	(45,328)
(Increase), Decrease in Assessments	1,331	-	-	1,331
Increase (Decrease) in Accrued Vacation	39,546	-	6,158	45,704
Increase, (Decrease) in Accounts Payable/Accrued Liabilities	(109,732)	(228,652)	(1,969)	(340,353)
Increase, (Decrease) in Prepaid Expenses	140,489	-	4,027	144,516
Increase, (Decrease) in Payroll Liabilities	(1,442)	-	-	(1,442)
Net Cash From Operations	<u>\$ 2,038,787</u>	<u>\$ (476,443)</u>	<u>\$ (109,523)</u>	<u>\$ 1,452,821</u>

The accompanying notes are an integral part of this statement.

CITY OF COOS BAY  
COOS COUNTY, OREGON

STATEMENT OF FIDUCIARY FUNDS - NET ASSETS  
AGENCY FUND  
June 30, 2009

	AGENCY FUND VISITORS CONVENTION BUREAU
ASSETS:	
Cash and Investments	\$ 49,198
Total Assets	49,198
LIABILITIES:	
Due to Other Agency	49,198
NET ASSETS:	
Total Net Assets Unrestricted	\$ -

See accompanying notes to basic financial statements

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Coos Bay, Oregon, have been prepared in conformity with accounting principles generally accepted in the United State of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

**THE FINANCIAL REPORTING ENTITY**

The City of Coos Bay is a municipal corporation, incorporated in 1874 under the name of Marshfield. In 1944, the residents voted to change the name to Coos Bay. The City presently operates under a charter, which was approved by the voters. The Charter provides for a Council-Manager form of government and provides such services as are authorized by the Charter. The City is governed by a mayor and an elected six member council. Appointed officers provided by the Charter are the City Manager, Finance Director/Recorder and City Attorney.

Accounting principles generally accepted in the United States of America require that these financial statements present the City (the primary government) and all component units, if any. Component units, as defined by the Governmental Accounting Standards Board (GASB) Statement No. 39, are separate organizations that are included in the City of Coos Bay's reporting entity because of the significance of their operational or financial relationships with the City.

Based on the above criteria, the following is a brief description of the component unit included in the City's reporting entity:

The Urban Renewal Agency of the City of Coos Bay was formed in December, 1966 to have urban renewal authority under Oregon law. Urban Renewal Agency of the City of Coos Bay has planning and economic development programs that focus on a downtown section of the City, and an Empire Section of the City. The primary purpose of the Coos Bay Urban Renewal Agency is to revitalize the commercial area of the City and to attract new businesses and jobs. Receipts are primarily from property taxes. Disbursements are made for planning, economic development, and capital projects.

Although it is legally separate from the City, because of the significance of its financial relationship with the City, the Urban Renewal Agency of the City of Coos Bay is reported as if it were part of the reporting entity. Separate financial statements for the Urban Renewal Agency of the City of Coos Bay may be obtained from the City administrative offices at Coos Bay City Hall. The City believes the financial data of the component unit included in the financial reporting entity meets the criteria for discrete presentation and is presented in the component unit column in the basic financial statements.

The Coos Bay-North Bend Water Board (Note 10) was established by an intergovernmental agreement, authorized by State statutes, to operate a water board for the mutual advantage of the City of Coos Bay and the City of North Bend. The City of Coos Bay has a 50% equity interest in the Water Board and appoints 2 of its council members. The Water Board is presented as a Joint Venture Investment in the Government-Wide Financial Statements.

**Entity excluded from the reporting entity:**

The Coos Bay/North Bend Tourism and Promotions Committee is not a component unit of the City of Coos Bay because it is a separate legal entity and does not have a significant financial relationship with the City. Cash and investments are commingled with City accounts for bookkeeping purposes only.

CITY OF COOS BAY  
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the direct expenses of a given function (i.e., general government, public safety, streets, etc.) is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Each fund is considered to be a separate accounting entity. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available (i.e. susceptible to accrual). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual if collected within 60 days of fiscal year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

CITY OF COOS BAY  
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

There are the following *major governmental funds*:

General Fund – This is the primary operating fund. It accounts for all the financial operations except those required to be accounted for in another fund. Principal sources of revenue are property taxes, licenses and permits, state shared revenues and charges for administrative services from other funds. Primary expenditures are for general government, police and fire protection and culture and recreation.

Fire Station Fund – This fund accounts for the general obligation bond and the construction of the Fire Station.

Jurisdictional Exchange Reserve Fund – This fund is used to accumulate resources from an intergovernmental agreement, along with interest earned thereon, with the Oregon Department of Transportation for the City's authority to regulate and maintain certain highways within its jurisdiction.

There are the following *non-major governmental funds*:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds – These funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Debt Service Funds – These funds account for principal and interest payments on general obligation bonds. The primary sources of revenue are property taxes and intergovernmental revenues.

There are the following *major proprietary funds*:

Wastewater Fund – This fund is used to account for the operations of the wastewater treatment facilities. The principle revenue is charges for services.

Wastewater Equipment Reserve Fund – This fund is used to accumulate resources of major wastewater equipment purchases. The primary sources of revenue are earnings on investments and operating transfers.

Additionally, there are the following *non-major proprietary funds*:

Building Codes Fund – This fund is used to account for building and mechanical permits along with plan check fees.

Building Codes Reserve Fund – This fund is used to accumulate resources to purchase capital outlay for building codes department. The primary source of revenue is operating transfers.

Agency Fund – This fund is used to accumulate and hold monies for the Coos Bay / North Bend Visitors Convention Bureau.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

CITY OF COOS BAY  
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation.

When both restricted and unrestricted resources are available for use, it is the policy to use restricted resources first, then unrestricted resources as they are needed.

BUDGETS

A budget is prepared for all funds, in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exceptions that capital outlay expenditures are expensed when purchased, depreciation is not calculated, inventories of supplies are budgeted as expenditures when purchased, debt is recorded as revenue when received and an expenditure when paid, and tax revenues are not recorded as revenue until received. The Council begins its budget process early in each fiscal year with the establishment of the Budget Committee. Recommendations are developed through late winter with the Budget Committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30<sup>th</sup>.

Expenditure budgets are appropriated at the following levels for each fund other than the General Fund:

LEVEL OF CONTROL

Personal Services	Interfund Transfers
Materials and Services	Debt Service
Capital Outlay	Operating Contingency

The General Fund is appropriated at the department level along with transfers and contingencies. Expenditures cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Council approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original budget amount and appropriation transfers. Expenses of the various funds were within authorized appropriations for the year ended June 30, 2009, except for the Library Fund – Materials and Services by \$27,883 and Capital Outlay by \$945.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

**Deposits and investments**

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, and cash and investments in the Local Governmental Investment Pool. Investments, including equity in pooled cash and investments, are stated at fair value.

**Receivables and payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/ from other funds" (i.e., the current portion of inter fund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as deferred revenue because it is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are shown in the government-wide statement of net assets. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of an allowance for uncollectibles.

**Prepaid items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital assets**

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	50 years
Improvements other than buildings	10-50 years
Machinery and equipment	5-20 years
Vehicles	5-20 years
Utility systems	50
Infrastructure – streets	40

One-half year of depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

**Supply Inventories**

Inventories purchased are valued at cost (first-in, first-out method). Inventory is recorded as expenditures when received rather than as consumed. Supply balances on hand at year end are not considered material.

**Compensated Absences**

It is the policy to permit employees to accumulate earned but unused vacation, compensatory, and sick leave benefits. Vacation accrual is limited based on the nonrepresented employees' personnel directives and the various union contracts. Any vacation accrual balances in excess of these limits will be forfeited. Accumulated vested vacation, compensatory, and sick pay is accrued as it is earned in the proprietary fund financial statements and the government-wide financial statements. Both the current and long-term liabilities are recorded. Government fund types recognize the expenditure when benefits are paid. Upon retirement an employee with ten or more years of service in a specific department shall be paid a percentage of their unused sick leave into a deferred compensation plan. The percentage shall be equal to the completed years of service.

**Long-term obligations**

In the government-wide financial statements, and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund-type financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.



**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund equity/Net assets**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net assets comprise the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net assets are classified in the following three categories.

Invested in capital assets, net of related debt – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on net asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets – consists of all other net assets that are not included in the other categories previously mentioned.

**2. CASH AND INVESTMENTS**

The cash management policies are governed by state statutes. Statutes authorize investment in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments.

Cash and Investments (recorded at cost) consisted of:

Deposits with Financial Institutions:	
Petty Cash	\$ 1,000
Demand Deposits	13,477,142
Investments	<u>11,659,213</u>
 Total Cash and Investments	 <u><u>\$ 25,137,355</u></u>
 Reconciliation of Cash Reported in:	
Governmental	\$ 15,450,175
Business Type	2,961,506
Component Unit	6,676,476
Visitors Convention Bureau	<u>49,198</u>
 Total Cash and Investments	 <u><u>\$ 25,137,355</u></u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS (CONTINUED)**

**Deposits**

Deposits with financial institutions consist of bank demand deposits. The total bank balance per the bank statements for all pooled cash is \$13,754,463. This balance includes cash belonging to the Urban Renewal Agency and the Coos Bay/North Bend Tourism Promotions Committee that is all held in the City's name for collateral purposes. Of these deposits, \$250,000 was covered by Federal Depository Insurance, and the remaining was deposited at an approved depository as prescribed by the Oregon State Treasurer.

The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Effective July 1, 2008, state statutes (ORS 295.002) allow public officials to deposit public funds in one or more depositories currently qualified pursuant to ORS 295.001 to 295.108. As long as the bank depository has entered into an agreement (ORS 295.008(2)(b)) and has deposited securities pursuant to state statutes (ORS 295.015(1)), there may now be on deposit at any one bank depository and its branches, a sum in excess of the amount insured by the Federal Deposit Insurance Corporation.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2009, none of the bank balance was exposed to custodial credit risk because it was insured or collateralized.

**Investments**

State statutes authorize investment in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's Investment Pool, among others. As of June 30, 2009 the fair value of the position in the LGIP is 99.11% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

As of June 30, 2009, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
State Treasurer's Investment Pool	\$ 11,659,213	\$ 11,659,213	\$ -	\$ -
Total	<u>\$ 11,659,213</u>	<u>\$ 11,659,213</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS (CONTINUED)**

The State Treasurer's Local Government Investment Pool (LGIP) is a cash and investment pool available for use by all state funds and local governments and is maintained by the State Treasurer. The LGIP is an open-ended, no-load diversified portfolio offered to eligible participants, including any municipality, political subdivision, or public corporation of the state. Currently, there are more than 1,500 participants in the Pool. Local government pooled assets are reported as an Investment Trust Fund in Oregon's Comprehensive Annual Financial Report.

The Oregon Short-Term Fund Board, established by the Oregon Legislature, advises the Oregon Investment Council and the Oregon State Treasury in the management and investments of the LGIP.

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date past 18 months.

Custodial Credit Risk

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration Risk

Concentration risk is the risk of loss due to a large portion of investments with a single issuer. To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2009, all percentage restrictions were complied with. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. Amounts in the State Treasurer's Local Government Investment Pool are not required by law to be collateralized. State statutes do not limit the percentage of investments in this instrument.

**3. ACCRUED VACATION**

The governmental funds compensated absences balances at June 30, 2009 and 2008 are \$781,021, and \$686,582. The business type funds compensated absences balances at June 30, 2009 and 2008 are \$50,171, and \$4,467.

Compensated Absences	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental	\$ 686,582	\$ 781,021	\$ (686,582)	\$ 781,021
Business Type	4,467	50,171	(4,467)	50,171
	<u>\$ 691,049</u>			<u>\$ 831,192</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS**

Capital asset activity for governmental activities of the primary government for the year ended June 30, 2009 was as follows:

Description	GOVERNMENTAL ACTIVITIES CAPITAL ASSETS				
	June 30, 2008	Additions	Disposals	Adjustments	June 30, 2009
Capital assets not being depreciated					
Land	\$ 188,742	\$ -	\$ -	\$ 807,543	\$ 996,285
Museum art works collection	295,000	458,700	-	-	753,700
Construction In Progress	13,521	2,023,848	(13,521)	-	2,023,848
Total Capital Assets not being depreciated	497,263	2,482,548	(13,521)	807,543	3,773,833
Other Capital Assets					
Land and Improvements	2,915,589	-	(116,130)	(807,543)	1,991,916
Buildings and Improvements	6,690,444	91,113	-	-	6,781,557
Machinery and Equipment	1,740,386	126,359	-	-	1,866,745
Vehicles	3,342,808	123,712	(298,064)	(19,618)	3,148,838
Infrastructure - streets	150,426,411	738,845	-	161,838	151,327,094
Total other Capital Assets	165,115,638	1,080,029	(414,194)	(665,323)	165,116,150
Less Accumulated Depreciation					
Land Improvements	1,362,454	49,301	(3,226)	-	1,408,529
Buildings and Improvements	2,107,074	165,762	-	-	2,272,836
Machinery & Equipment	946,384	150,631	-	-	1,097,015
Vehicles	2,250,216	185,386	(314,526)	-	2,121,076
Infrastructure - streets	57,956,983	3,772,754	-	-	61,729,737
Total Accumulated Depreciation	64,623,111	4,323,834	(317,752)	-	68,629,193
Total Governmental Activities	\$ 100,989,790	\$ (761,257)	\$ (109,963)	\$ 142,220	\$ 100,260,789

Depreciation Expense for governmental activities is charged to functions as follows:

Function	Governmental Funds
General Government	\$ 457,915
Public Safety	2,435,366
Public Works	931,799
Culture and Recreation	498,754
Total	\$ 4,323,834

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS (CONTINUED)**

Capital asset activity for business type activities for the year ended June 30, 2009 was as follows:

Description	June 30, 2008	Additions	Disposals	June 30, 2009
Capital assets not being depreciated				
Construction in Progress	\$ 199,828	\$ 1,180,266	\$ (199,828)	\$ 1,180,266
Total Capital Assets not being depreciated	<u>199,828</u>	<u>1,180,266</u>	<u>(199,828)</u>	<u>1,180,266</u>
Other Capital Assets - Wastewater				
Land and Improvements	1,982,091	-	-	1,982,091
Machinery & Equipment	3,759,395	92,223	-	3,851,618
Vehicles	946,551	199,785	-	1,146,336
Plant and System	16,009,136	779,366	-	16,788,502
Total other Capital Assets	<u>22,697,173</u>	<u>1,071,374</u>	<u>-</u>	<u>23,768,547</u>
Less Accumulated Depreciation				
Land and Improvements	1,745,161	94,045	-	1,839,206
Machinery & Equipment	2,305,803	167,926	-	2,473,729
Vehicles	529,609	25,519	-	555,128
Plant and System	6,673,398	318,195	-	6,991,593
Total Accumulated Depreciation	<u>11,253,971</u>	<u>605,685</u>	<u>-</u>	<u>11,859,656</u>
Total Governmental Activities	<u>\$ 11,643,030</u>	<u>\$ 1,645,955</u>	<u>\$ (199,828)</u>	<u>\$ 13,089,157</u>

Depreciation expense for business type activities is charged to functions as follows:

**Governmental Activities Depreciation Allocation to Function**

Function	Business Type Funds
Wastewater	\$ 605,685
Total	<u>\$ 605,685</u>

**5. EMPLOYEE RETIREMENT PLAN**

Plan Description

The State of Oregon Public Employees Retirement System (PERS) is participated in, a cost sharing multiple-employer defined benefit pension plan administered by the Oregon Public Employees Retirement System (OPERS). Retirement is allowed at age 58 with full benefits, but retirement is generally available after age 55 with reduced benefits. Police and Fire Department employees may retire with full benefits at the age of 55 with 30 years of service. Compulsory retirement is age 70. Retirement benefits are payable in lump sum or monthly amounts using several payment options. PERS also provides death and disability benefits. Benefits are established by State statute.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Oregon Public Service Retirement Plan (“OPSRP”) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive PERS members who return to employment following a six month or greater break in service. The new plan consists of a defined benefit program (the “Pension Program”) and a defined contribution portion (the Individual Account Program or “IAP”). The Pension Program portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of serviced and a factor that varies based on type of service (general versus police or fire).

Beginning January 1, 2004, all PERS member contributions go into the IAP portion of OPSRP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member’s IAP, not the member’s PERS account. Those employees who had established a PERS membership prior to creation of OPSRP will be members of both the PERS and OPSRP system as long as they remain in covered employment.

Both PERS and OPSRP are administered under Oregon Revised Statute (ORS) Chapter 238. ORS 238.620 establishes the Public Employees Retirement Board as the governing body of PERS. The Oregon Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information.

**Funding Policy**

Covered employees are required by State statute to contribute 6% of their salary to the plan, which the City has elected to pay for the employee. The City is required to contribute at actuarially determined rates, as adopted by the PERS Board. The current rate is 13.34% of covered payroll for Tier One/Two employees and 12.19% for general OPSRP employees and 15.46% for public safety. The contribution to the plan for the years ending June 30, 2009, 2008, and 2007 were as follows:

For the Year Ended June 30,	Annual Pension Cost (APC) (ARC)	Percentage of APC Contributed	Net Pension Obligation
2009	\$ 993,295	100%	\$ -
2008	\$ 999,135	100%	\$ -
2007	\$ 949,998	100%	\$ -

**Annual Pension Costs**

For the year ended June 30, 2009, the annual pension cost (APC) for PERS was equal to the required and actual contributions (ARC). The required contribution was determined as part of December 31, 1999, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 8.00% investment rate of return (net of administrative expenses), (b) projected salary increases was 4.25% per year, and (c) 2.00% per year post-retirement cost-of-living increases. The underlying long-term assumed rate of inflation is 3.50% per year. The actuarial value of PERS assets are valued on the Expected Value Method.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

Schedule of Funding Progress

Dec. 31 Valuation Date	Value	Actuarial Liability	Unfunded Actuarial of Assets	Funded Percent	Covered Payroll	Excess as a Percent of Covered Liability
2007	38,665,975	35,658,154	(3,007,821)	108%	4,801,518	-63%
2005	32,582,744	32,895,592	312,848	99%	4,097,249	8%
2003	26,751,801	29,996,797	3,244,996	89%	370,280	88%

**6. DEFERRED COMPENSATION**

Four deferred compensation trust plans are offered to employees and were created in accordance with Internal Revenue Code Section 457. The trusts hold the assets for the exclusive benefits of plan participants and their beneficiaries.

**7. LONG TERM DEBT**

The long term debt is associated with *governmental activities* only. There are no long term liabilities associated with the *business-type activities*.

Revenue Secured Bond: In April 2006, \$5,645,000 in Refunding Bonds were issued, the proceeds of which were utilized to refund the 2000 water secured bonds. These water bonds, although general obligation bonds of the City, are a primary obligation of the Coos Bay-North Bend Water Board, and are being retired from revenues turned over by that agency. The refunding reduced total debt payments by \$433,251. The Water Board, by resolution, is pledged to establish, maintain and collect rates and charges for water service that will produce sufficient revenue, after deducting the expenses for operation and maintenance, to meet principal and interest payments when due.

The future requirements for amortization of this April 2006 Revenue Secured Bond debt are as follows:

Fiscal Year	Issue of April 2006		
	Principal	Interest	Total
2009-2010	\$ 225,000	\$ 226,986	\$ 451,986
2010-2011	235,000	217,211	452,211
2011-2012	250,000	206,905	456,905
2012-2013	255,000	195,217	450,217
2013-2014	275,000	181,967	456,967
2014-2019	1,575,000	691,094	2,266,094
2019-2024	1,960,000	307,176	2,267,176
2024-2025	445,000	9,457	454,457
<b>Total</b>	<b>\$ 5,220,000</b>	<b>\$ 2,036,013</b>	<b>\$ 7,256,013</b>

Interest rate: 4.25%-5.0%

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**7. LONG TERM DEBT (CONTINUED)**

Revenue Secured Loan: On June 14, 2005, the Water Board secured a revenue loan with O.E.C.D.D. in the amount of \$125,000. The loan is a primary obligation of the City, for its portion of the water line Bay Crossing Project construction to be paid over 25 years at 4.97% annual interest. The Water Board, by resolution, is pledged to establish, maintain, and collect rates and charges for water service that will produce sufficient revenue to meet principal and interest payments when due. The future requirements for amortization of this revenue secured loan are as follows:

Fiscal Year	Issue of June 14, 2005		
	Principal	Interest	Total
2009-2010	\$ 3,113	\$ 5,507	\$ 8,620
2010-2011	3,268	5,352	8,620
2011-2012	3,431	5,189	8,620
2012-2013	3,601	5,019	8,620
2013-2014	3,780	4,840	8,620
2014-2019	21,912	21,187	43,099
2019-2024	27,927	15,174	43,101
2024-2029	35,591	7,509	43,100
2029-2030	8,172	407	8,579
Total	<u>\$ 110,795</u>	<u>\$ 70,184</u>	<u>\$ 180,979</u>

Interest rate: 4.97% fixed annual rate.

Business Loan Agreement: In August 2005, a Business Loan Agreement was executed with a local bank for an \$800,000 loan, to be paid over 8 years at 4% annual interest. This loan is for a major arterial (Ocean Blvd) overlay and construction of a street that was received from the State in the Jurisdictional Exchange program several years ago. The loan amortization is as follows:

Fiscal Year	Issue of August 17, 2005		
	Principal	Interest	Total
2009-10	\$ 99,603	\$ 18,491	\$ 118,094
2010-11	103,683	14,411	118,094
2011-12	107,931	10,163	118,094
2012-13	112,333	5,761	118,094
2013-14	57,294	1,153	58,447
Total	<u>\$ 480,844</u>	<u>\$ 49,979</u>	<u>\$ 530,823</u>

Interest rate: 4% fixed annual rate.



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**7. LONG TERM DEBT (CONTINUED)**

General Obligation 2009 Fire Station Bond: In April 2009, \$6,900,000 in general obligation bonds were issued which will be used to finance the building of the new fire station.

Fiscal Year	Issue of August 17, 2005		
	Principal	Interest	Total
2009-10	\$ 245,000	\$ 245,950	\$ 490,950
2010-11	250,000	238,600	488,600
2011-12	260,000	231,100	491,100
2012-13	265,000	223,300	488,300
2013-14	275,000	215,350	490,350
2015-2019	1,525,000	929,500	2,454,500
2020-2024	1,850,000	602,750	2,452,750
2025-2029	1,770,000	192,631	1,962,631
Total	<u>\$ 6,440,000</u>	<u>\$ 2,879,181</u>	<u>\$ 9,319,181</u>

Interest rate: 3.0 - 4.375% fixed annual rate.

**Changes in Long-Term Liabilities:** During the year ended June 30, 2009, the following changes occurred in long-term liabilities:

	Balance 7/1/2008	Additions	Reductions	Balance 6/30/2009
General Obligation:				
Revenue Bonds:				
Water Bonds				
June 14, 2005 (refunding)	\$ 113,761	\$ -	\$ (2,966)	\$ 110,795
Water Bonds				
January 24, 2004 (refunding)	116,815	-	(116,815)	-
GO Fire Station				
April 15, 2009	-	6,900,000	(460,000)	6,440,000
Revenue Secured Bond:				
April, 2006 (refunding)	5,435,000	-	(215,000)	5,220,000
Business Loan:				
August 17, 2005	576,464	-	(95,620)	480,844
Total	<u>\$ 6,242,040</u>	<u>\$ 6,900,000</u>	<u>\$ (890,401)</u>	<u>\$ 12,251,639</u>

**8. PROPERTY TAX LIMITATIONS**

The State of Oregon has a constitutional limit on property taxes for schools and nonschool government operations. The limitation provides that property taxes for nonschool operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8 PROPERTY TAX LIMITATIONS (CONTINUED)**

An additional limit reduces the amount of operating property tax revenues available. This reduction was accomplished by rolling property values for 1997-98 back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Constitution also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

**9. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three years.

**10. INVESTMENT IN JOINT VENTURE**

Pursuant to an intergovernmental agreement authorized by state statutes, the City of Coos Bay joined with the City of North Bend to establish and operate a Water Board for the mutual advantage of the two governments. The City of Coos Bay's share of assets, liabilities, and fund equity is 50 percent. Following is a summary of the most recent audited financial information as of, and for the year ended June 30, 2009:

Cash and investments	\$	4,378,988
Other assets		<u>50,405,501</u>
 Total assets	 \$	 <u><u>54,784,489</u></u>
 Total liabilities	 \$	 11,676,526
Total equity		<u>43,107,963</u>
 Total liabilities and equity	 \$	 <u><u>54,784,489</u></u>

Changes in the investment in the joint venture are as follows:

<u>Balance</u>			<u>Balance</u>
July 1, 2008	<u>Increases</u>	<u>Decreases</u>	June 30, 2009
<u>\$ 21,070,203</u>	<u>\$ 483,779</u>	<u>\$ -</u>	<u>\$ 21,553,982</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**10. INVESTMENT IN JOINT VENTURE (CONTINUED)**

An investment in joint venture in the amount of \$21,553,982 million was booked as an asset (Investment in Joint Venture) in Fiscal Year 2008-09, for the 50% equity interest that the City of Coos Bay has in the Coos Bay/North Bend Water Board. The Coos Bay/North Bend Water Board issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Coos Bay/North Bend Water Board, P.O. Box 539, Coos Bay, OR 97420 or by calling (541) 267-3128.

**11. RELATED PARTY TRANSACTIONS**

All sewer service charges are billed by the Water Board as an accommodation for the Cities of Coos Bay and North Bend, Oregon, and collections thereon are remitted to the cities, less a handling fee, for providing these services. During the year ended June 30, 2009, the Water Board remitted \$3,850,117 to the City of Coos Bay, Oregon, which included sewer user fee revenues, alum sludge disposal fees, and interest earnings, net of the handling fee of \$47,031.

**12. NOTES RECEIVABLE**

There is a note receivable carried on the statement of net assets. The note is the result of an agreement between the City and the Water Board wherein the City obtained a loan on behalf of the Water Board. The amount receivable by the City as of June 30, 2009 is \$5,330,795. This includes the 2005 and 2006 refunding issues. The Water Board also pays the interest on these issues (see footnote 7).

**13. TRANSFERS**

Transfers made during the year are summarized as follows:

<u>Fund:</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General	\$ 52,000	\$ (336,070)
Other Governmental	530,255	(221,385)
Business-Type		
	<u>\$ 582,255</u>	<u>\$ (557,455)</u>
Business Type Funds	<u>\$ 128,000</u>	<u>\$ (152,800)</u>
Total Transfers	<u>\$ 710,255</u>	<u>\$ (710,255)</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**14. PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was made to the general fund and the public works fund in the amount of \$17,932 to account for an operating transfer approved but not recorded in the previous fiscal year.

**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY DATA**

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>REVENUES</b>				
Property Taxes	\$ 4,769,474	\$ 4,769,474	\$ 4,898,142	\$ 128,668
Franchise Fees	1,391,587	1,391,587	1,391,587	-
Licenses and Permits	127,707	127,707	127,707	-
Charges For Services	382,566	382,566	567,430	184,864
Charges for use of money and property	152,160	152,160	125,908	(26,252)
Fines and Forfeitures	3,410,803	3,410,803	373,461	(3,037,342)
Miscellaneous	11,106	11,106	32,910	21,804
<b>Total Revenue</b>	<u>10,245,403</u>	<u>10,245,403</u>	<u>7,517,145</u>	<u>(2,728,258)</u>
<b>EXPENDITURES</b>				
General Government	1,108,492	1,108,492 (1)	1,046,920	61,572
Public Safety	5,773,243	5,773,243 (1)	5,308,826	464,417
Public Works	3,701,866	3,701,866 (1)	732,643	2,969,223
Contingency	150,000	150,000 (1)	-	150,000
<b>Total Expenditures</b>	<u>10,733,601</u>	<u>10,733,601</u>	<u>7,088,389</u>	<u>3,645,212</u>
Excess of Revenues Over (Under) Expenditures	(488,198)	(488,198)	428,756	916,954
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	52,000	52,000	52,000	-
Transfers Out	(116,070)	(336,070) (1)	(336,070)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(64,070)</u>	<u>(284,070)</u>	<u>(284,070)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(552,268)	(772,268)	144,686	916,954
<b>FUND BALANCE - BEGINNING OF YEAR</b>	2,460,000	2,680,000	3,457,040	777,040
Prior Period Adjustment	-	-	17,932	17,932
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,907,732</u>	<u>\$ 1,907,732</u>	<u>\$ 3,619,658</u>	<u>\$ 1,711,926</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS**

For the Year Ended June 30, 2009

<u>FIRE STATION RESERVE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 100,000	\$ 100,000	\$ 13,066	\$ (86,934)
Miscellaneous	-	-	22	22
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>13,088</u>	<u>(86,912)</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Fire Station	7,000,000	7,000,000 (1)	1,975,728	5,024,272
Total Expenditures	<u>7,000,000</u>	<u>7,000,000</u>	<u>1,975,728</u>	<u>5,024,272</u>
Excess of Revenues Over (Under) Expenditures	(6,900,000)	(6,900,000)	(1,962,640)	4,937,360
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds Proceeds	6,900,000	6,900,000	6,986,317	86,317
Total Other Financing Sources, (Uses)	<u>6,900,000</u>	<u>6,900,000</u>	<u>6,986,317</u>	<u>86,317</u>
Net Change in Fund Balance	-	-	5,023,677	5,023,677
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,023,677</u>	<u>\$ 5,023,677</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

JURISDICTIONAL EXCHANGE RESERVE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for use of money and property				
Interest on investments	\$ 220,000	\$ 220,000	\$ 106,623	\$ (113,377)
Total Revenues	<u>220,000</u>	<u>220,000</u>	<u>106,623</u>	<u>(113,377)</u>
<b>EXPENDITURES</b>				
Public Works				
Materials and Services	50,000	50,000 (1)	-	50,000
Capital Outlay	651,905	651,905 (1)	326,796	325,109
Debt Service				
Principal Retirement	95,620	95,620 (1)	95,620	-
Interest and Fiscal Charges	22,474	22,474 (1)	22,474	-
Total Expenditures	<u>819,999</u>	<u>819,999</u>	<u>444,890</u>	<u>375,109</u>
Net Change in Fund Balance	(599,999)	(599,999)	(338,267)	261,732
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>5,400,000</u>	<u>5,400,000</u>	<u>5,320,680</u>	<u>(79,320)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,800,001</u>	<u>\$ 4,800,001</u>	<u>\$ 4,982,413</u>	<u>\$ 182,412</u>

(1) Appropriation Level

CITY OF COOS BAY  
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009

	WASTEWATER FUND			VARIANCE TO FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>REVENUES</b>				
Intergovernmental				
Charleston	\$ 187,000	\$ 187,000	\$ 238,055	\$ 51,055
Bunker Hill	107,000	107,000	33,821	(73,179)
Total Intergovernmental	<u>294,000</u>	<u>294,000</u>	<u>271,876</u>	<u>(22,124)</u>
Charges for Services				
Sewer Permits	15,000	15,000	7,449	(7,551)
Sewer Use Fees	3,885,000	3,885,000	3,813,835	(71,165)
Sewer Connection Fees	500	500	-	(500)
Recreational Vehicle Dump Fees	2,500	2,500	2,379	(121)
Alum Sludge Disposal Fees	120,000	120,000	85,014	(34,986)
Total Charges for Services	<u>4,023,000</u>	<u>4,023,000</u>	<u>3,908,677</u>	<u>(114,323)</u>
Charges for use of money and property				
Interest on Investments	40,000	40,000	50,815	10,815
Miscellaneous	153,000	153,000	120,118	(32,882)
Total Revenues	<u>4,510,000</u>	<u>4,510,000</u>	<u>4,351,486</u>	<u>(158,514)</u>
<b>EXPENDITURES</b>				
Wastewater Collection and Treatment				
Personal Services	472,128	472,128	506,232	(34,104)
Materials and Services	2,778,373	2,778,373	2,463,892	314,481
Capital Outlay	1,508,400	1,508,400	1,248,318	260,082
Total Wastewater Collection and Treatment	4,758,901	4,758,901 (1)	4,218,442	540,459
Contingency	88,299	88,299 (1)	-	88,299
Total Expenditures	<u>4,847,200</u>	<u>4,847,200</u>	<u>4,218,442</u>	<u>628,758</u>
Excess of Revenues Over (Under) Expenditures	(337,200)	(337,200)	133,044	470,244
Other Financing Sources (Uses)				
Transfers Out	(149,800)	(149,800) (1)	(149,800)	-
Net Change in Fund Balance	(487,000)	(487,000)	(16,756)	470,244
FUND BALANCE - BEGINNING OF YEAR	<u>925,000</u>	<u>925,000</u>	<u>1,519,150</u>	<u>594,150</u>
FUND BALANCE - END OF YEAR	<u>\$ 438,000</u>	<u>\$ 438,000</u>	<u>\$ 1,502,394</u>	<u>\$ 1,064,394</u>
Reconciliation to Net Assets:				
Capital Assets, Net			<u>13,089,157</u>	
Total Net Assets			<u>\$ 14,591,551</u>	

(1) Appropriation Level



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2009**

WASTEWATER EQUIPMENT RESERVE

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 36,000	\$ 36,000	\$ 12,426	\$ (23,574)
Miscellaneous Income	-	-	11,676	11,676
Total Revenues	<u>36,000</u>	<u>36,000</u>	<u>24,102</u>	<u>(11,898)</u>
<b>EXPENDITURES</b>				
Materials and Services	55,000	55,000 (1)	49,190	5,810
Capital Outlay	1,120,900	1,120,900 (1)	198,601	922,299
Total Expenditures	<u>1,175,900</u>	<u>1,175,900</u>	<u>247,791</u>	<u>928,109</u>
Excess of Revenues Over (Under) Expenditures	(1,139,900)	(1,139,900)	(223,689)	916,211
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	868,000	868,000	128,000	(740,000)
Total Other Financing Sources (Uses)	<u>868,000</u>	<u>868,000</u>	<u>128,000</u>	<u>(740,000)</u>
Net Change in Fund Balance	(271,900)	(271,900)	(95,689)	176,211
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>905,000</u>	<u>905,000</u>	<u>1,080,598</u>	<u>175,598</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 633,100</u>	<u>\$ 633,100</u>	<u>\$ 984,909</u>	<u>\$ 351,809</u>

(1) Appropriation Level

**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**

**SUPPLEMENTARY DATA**

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET  
ALL NON-MAJOR GOVERNMENTAL FUNDS**

June 30, 2009

	<u>COMBINED NONMAJOR SPECIAL REVENUE FUNDS</u>	<u>COMBINED NONMAJOR DEBT SERVICE FUNDS</u>	<u>COMBINED NONMAJOR CAPITAL PROJECTS FUNDS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>				
Cash and Investments	\$ 676,962	\$ 101,494	\$ 1,108,997	\$ 1,887,453
Receivables				
Taxes	-	35,408	-	35,408
Accounts	225,896	-	-	225,896
Total Assets	<u>\$ 902,858</u>	<u>\$ 136,902</u>	<u>\$ 1,111,880</u>	<u>\$ 2,151,640</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 44,648	\$ -	\$ 7,066	\$ 51,714
Deferred Revenue	-	28,298	2,883	31,181
Matured Interest Payable	-	213	-	213
Total Liabilities	<u>44,648</u>	<u>28,511</u>	<u>9,949</u>	<u>83,108</u>
<b>FUND BALANCES</b>				
Reserved for				
Debt Service	-	108,391	-	108,391
Unreserved, reported in				
Special Revenue Funds	858,210	-	-	858,210
Capital Projects Funds	-	-	1,101,931	1,101,931
Total Fund Balances	<u>858,210</u>	<u>108,391</u>	<u>1,101,931</u>	<u>2,068,532</u>
Total Liabilities and Fund Balances	<u>\$ 902,858</u>	<u>\$ 136,902</u>	<u>1,111,880</u>	<u>\$ 2,151,640</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
June 30, 2009**

	STATE GAS TAX	SPECIAL POLICE	HOTEL/ MOTEL TAX	LIBRARY	911 Tax	RAINY DAY	TOTAL
<b>ASSETS</b>							
Cash and Investments	\$ 5,540	\$ 40,128	\$ 63,684	\$ 468,472	\$ 71,305	\$ 27,833	\$ 676,962
Receivables							
Accounts	55,583	457	106,606	37,188	26,062	-	225,896
<b>Total Assets</b>	<b>\$ 61,123</b>	<b>\$ 40,585</b>	<b>\$ 170,290</b>	<b>\$ 505,660</b>	<b>\$ 97,367</b>	<b>\$ 27,833</b>	<b>\$ 902,858</b>
<b>LIABILITIES AND FUND BALANCES:</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 25,296	\$ 828	\$ 7,631	\$ 10,241	\$ 652	\$ -	\$ 44,648
<b>Total Liabilities</b>	<b>25,296</b>	<b>828</b>	<b>7,631</b>	<b>10,241</b>	<b>652</b>	<b>-</b>	<b>44,648</b>
<b>FUND BALANCES</b>							
Unreserved, reported in Special Revenue Funds	35,827	39,757	162,659	495,419	96,715	27,833	858,210
<b>Total Fund Balances</b>	<b>35,827</b>	<b>39,757</b>	<b>162,659</b>	<b>495,419</b>	<b>96,715</b>	<b>27,833</b>	<b>858,210</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 61,123</b>	<b>\$ 40,585</b>	<b>\$ 170,290</b>	<b>\$ 505,660</b>	<b>\$ 97,367</b>	<b>\$ 27,833</b>	<b>\$ 902,858</b>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET  
NON-MAJOR DEBT SERVICE FUNDS  
June 30, 2009**

	<u>GO BOND REDEMPTION</u>	<u>REVENUE BOND</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Investments	\$ 100,897	\$ 597	\$ 101,494
Receivables			
Taxes	35,408	-	35,408
Total Assets	<u>\$ 136,305</u>	<u>\$ 597</u>	<u>\$ 136,902</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES</b>			
Deferred Revenue	\$ 28,298	\$ -	\$ 28,298
Matured Interest Payable	213	-	213
Total Liabilities	<u>28,511</u>	<u>-</u>	<u>28,511</u>
<b>FUND BALANCES</b>			
Reserved for Debt Service	107,794	597	108,391
Total Fund Balances	<u>107,794</u>	<u>597</u>	<u>108,391</u>
Total Liabilities and Fund Balances	<u>\$ 136,305</u>	<u>\$ 597</u>	<u>\$ 136,902</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET  
NON-MAJOR CAPITAL PROJECTS FUNDS  
June 30, 2009**

	STREET IMPROVEMENT	PARKS IMPROVEMENT	BIKE/ PEDESTRIAN IMPROVEMENT	SPECIAL IMPROVEMENT
<b>ASSETS</b>				
Cash and Investments	\$ 23,911	\$ 11,639	\$ 22,546	\$ 47,915
Receivables				
Accounts	-	-	-	-
Assessments	-	-	-	2,883
Total Assets	<u>\$ 23,911</u>	<u>\$ 11,639</u>	<u>\$ 22,546</u>	<u>\$ 50,798</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 765	\$ 382	\$ -	\$ -
Deferred Revenues	-	-	-	2,883
Total Liabilities	<u>765</u>	<u>382</u>	<u>-</u>	<u>2,883</u>
<b>FUND BALANCES</b>				
Unreserved, reported in:				
Capital Projects Funds	<u>23,146</u>	<u>11,257</u>	<u>22,546</u>	<u>47,915</u>
Total Fund Balances	<u>23,146</u>	<u>11,257</u>	<u>22,546</u>	<u>47,915</u>
Total Liabilities and Fund Balances	<u>\$ 23,911</u>	<u>\$ 11,639</u>	<u>\$ 22,546</u>	<u>\$ 50,798</u>

<u>INSURANCE RESERVE</u>	<u>TECHNOLOGY RESERVE</u>	<u>TRANSPORTATION SDC</u>	<u>WASTEWATER SDC</u>	<u>STORMWATER SDC</u>
\$ 233,285	\$ 112,057	\$ 102,100	\$ 238,238	\$ 18,347
-	-	-	-	-
<u>\$ 233,285</u>	<u>\$ 112,057</u>	<u>\$ 102,100</u>	<u>\$ 238,238</u>	<u>\$ 18,347</u>
\$ -	\$ 3,902	\$ -	\$ -	\$ -
-	-	-	-	-
<u>-</u>	<u>3,902</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>233,285</u>	<u>108,155</u>	<u>102,100</u>	<u>238,238</u>	<u>18,347</u>
<u>233,285</u>	<u>108,155</u>	<u>102,100</u>	<u>238,238</u>	<u>18,347</u>
<u>\$ 233,285</u>	<u>\$ 112,057</u>	<u>\$ 102,100</u>	<u>\$ 238,238</u>	<u>\$ 18,347</u>

<u>COUNTY-WIDE CAD RESERVE</u>	<u>MAJOR CAPITAL RESERVE</u>	<u>PUBLIC WORKS FUND</u>	<u>TOTAL</u>
\$ 29,932	\$ 269,027	\$ -	\$ 1,108,997
-	-	-	-
-	-	-	2,883
<u>\$ 29,932</u>	<u>\$ 269,027</u>	<u>\$ -</u>	<u>\$ 1,111,880</u>
\$ 413	\$ 1,604	\$ -	\$ 7,066
-	-	-	2,883
413	1,604	-	9,949
29,519	267,423	-	1,101,931
29,519	267,423	-	1,101,931
<u>\$ 29,932</u>	<u>\$ 269,027</u>	<u>\$ -</u>	<u>\$ 1,111,880</u>



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2009**

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	COMBINED NONMAJOR DEBT SERVICE FUNDS	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES</b>				
Property Taxes	\$ -	\$ 521,542	\$ -	\$ 521,542
Other Taxes	1,325,906	-	-	1,325,906
Intergovernmental Revenues	805,147	579,106	177,320	1,561,573
Grants			8,000	8,000
Other-Timber Sales			58,700	58,700
Charges for Services	94,035	-	-	94,035
Charge for use of money and property	29,477	5,134	25,699	60,310
Miscellaneous	108,865	-	107,303	216,168
	<u>2,363,430</u>	<u>1,105,782</u>	<u>377,022</u>	<u>3,846,234</u>
<b>EXPENDITURES</b>				
Current				
Public Safety	259,088	-	-	259,088
Public Works	1,397,704	-	-	1,397,704
Culture and Recreation	1,018,991	-	121,297	1,140,288
Capital Outlay	13,595	-	626,275	639,870
Debt Service:				
Principal Retirement	-	794,781	-	794,781
Interest and Fiscal Charges	-	277,476	-	277,476
	<u>2,689,378</u>	<u>1,072,257</u>	<u>747,572</u>	<u>4,509,207</u>
Excess of Revenues Over (Under) Expenditures	(325,948)	33,525	(370,550)	(662,973)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	212,690	-	317,565	530,255
Transfers Out	(60,700)	-	(160,685)	(221,385)
	<u>151,990</u>	<u>-</u>	<u>156,880</u>	<u>308,870</u>
Net Change in Fund Balance	(173,958)	33,525	(213,670)	(354,103)
Prior Period Adjustment	-	-	(17,932)	(17,932)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>1,032,168</u>	<u>74,866</u>	<u>1,333,533</u>	<u>2,440,567</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 858,210</u>	<u>\$ 108,391</u>	<u>\$ 1,101,931</u>	<u>\$ 2,068,532</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2009**

	STATE GAS TAX	SPECIAL POLICE	HOTEL/ MOTEL TAX	LIBRARY	911 Tax	RAINY DAY	TOTAL
<b>REVENUES</b>							
Other Taxes	\$ -	\$ -	\$ 459,824	\$ 866,082	\$ -	\$ -	\$ 1,325,906
Charges for use of money and property	984	1,215	11,263	13,786	2,086	143	29,477
Intergovernmental Revenues	633,800	4,726	-	4,218	162,403	-	805,147
Charges for Services	-	8,646	-	85,389	-	-	94,035
Miscellaneous	11,285	3,079	-	94,501	-	-	108,865
<b>Total Revenues</b>	<b>646,069</b>	<b>17,666</b>	<b>471,087</b>	<b>1,063,976</b>	<b>164,489</b>	<b>143</b>	<b>2,363,430</b>
<b>EXPENDITURES</b>							
Current							
Public Safety	-	47,724	-	-	211,364	-	259,088
Public Works	845,771	-	551,933	-	-	-	1,397,704
Culture and Recreation	-	-	-	1,018,991	-	-	1,018,991
Capital Outlay	-	-	-	13,595	-	-	13,595
<b>Total Expenditures</b>	<b>845,771</b>	<b>47,724</b>	<b>551,933</b>	<b>1,032,586</b>	<b>211,364</b>	<b>-</b>	<b>2,689,378</b>
Excess of Revenues Over (Under) Expenditures	(199,702)	(30,058)	(80,846)	31,390	(46,875)	143	(325,948)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfer In	180,000	5,000	-	-	-	27,690	212,690
Transfer Out	(8,700)	-	(52,000)	-	-	-	(60,700)
<b>Total Other Financing Sources (Uses)</b>	<b>171,300</b>	<b>5,000</b>	<b>(52,000)</b>	<b>-</b>	<b>-</b>	<b>27,690</b>	<b>151,990</b>
Net Change in Fund Balance	(28,402)	(25,058)	(132,846)	31,390	(46,875)	27,833	(173,958)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>64,229</b>	<b>64,815</b>	<b>295,505</b>	<b>464,029</b>	<b>143,590</b>	<b>-</b>	<b>1,032,168</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 35,827</b>	<b>\$ 39,757</b>	<b>\$ 162,659</b>	<b>495,419</b>	<b>\$ 96,715</b>	<b>\$ 27,833</b>	<b>\$ 858,210</b>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR DEBT SERVICE FUNDS  
For the Year Ended June 30, 2009**

	GO BOND REDEMPTION	REVENUE BOND	TOTAL
<b>REVENUES</b>			
Property Taxes	\$ 521,542	\$ -	\$ 521,542
Intergovernmental	-	579,106	579,106
Charges for use of money and property	4,576	558	5,134
Total Revenues	<u>526,118</u>	<u>579,664</u>	<u>1,105,782</u>
<b>EXPENDITURES</b>			
Debt Services			
Principal Retirement	460,000	334,781	794,781
Interest and Fiscal Charges	33,190	244,286	277,476
Total Expenditures	<u>493,190</u>	<u>579,067</u>	<u>1,072,257</u>
Net Change in Fund Balance	32,928	597	33,525
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>74,866</u>	<u>-</u>	<u>74,866</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 107,794</u>	<u>\$ 597</u>	<u>\$ 108,391</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
For the Year Ended June 30, 2009**

	STREET IMPROVEMENT	PARKS IMPROVEMENT	BIKE/ PEDESTRIAN IMPROVEMENT	SPECIAL IMPROVEMENT
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 162,675	\$ -	\$ -	\$ -
Charges for use of money and property	518	856	329	686
Grants	-	-	-	-
Others-Timber Sales	-	-	-	-
Miscellaneous	165	67,772	-	14,366
<b>Total Revenues</b>	<b>163,358</b>	<b>68,628</b>	<b>329</b>	<b>15,052</b>
<b>EXPENDITURES</b>				
Current:				
Personnel Services	-	82,497	-	-
Materials and Services	-	2,478	-	-
Capital Outlay	196,539	76,743	-	-
<b>Total Expenditures</b>	<b>196,539</b>	<b>161,718</b>	<b>-</b>	<b>-</b>
Excess of Revenues Over (Under) Expenditures	(33,181)	(93,090)	329	15,052
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In	-	100,000	7,500	-
Transfer Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>100,000</b>	<b>7,500</b>	<b>-</b>
Net Changes in Fund Balance	(33,181)	6,910	7,829	15,052
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>56,327</b>	<b>4,347</b>	<b>14,717</b>	<b>32,863</b>
Prior Period Adjustment	-	-	-	-
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 23,146</b>	<b>\$ 11,257</b>	<b>\$ 22,546</b>	<b>\$ 47,915</b>

<u>INSURANCE RESERVE</u>	<u>TECHNOLOGY RESERVE</u>	<u>TRANSPORTATION SDC</u>	<u>WASTEWATER SDC</u>	<u>STORMWATER SDC</u>	<u>COUNTY-WIDE CAD RESERVE</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,645
4,262	917	2,107	4,916	378	575
-	-	-	-	-	-
-	-	-	-	-	-
-	25,000	-	-	-	-
<u>4,262</u>	<u>25,917</u>	<u>2,107</u>	<u>4,916</u>	<u>378</u>	<u>15,220</u>
-	-	-	-	-	-
-	28,080	-	-	-	4,997
-	98,269	-	-	-	11,624
-	126,349	-	-	-	16,621
4,262	(100,432)	2,107	4,916	378	(1,401)
20,000	186,380	-	-	-	3,685
-	(3,685)	-	-	-	-
<u>20,000</u>	<u>182,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,685</u>
24,262	82,263	2,107	4,916	378	2,284
209,023	25,892	99,993	233,322	17,969	27,235
-	-	-	-	-	-
<u>\$ 233,285</u>	<u>\$ 108,155</u>	<u>\$ 102,100</u>	<u>\$ 238,238</u>	<u>\$ 18,347</u>	<u>\$ 29,519</u>

<u>MAJOR CAPITAL</u> <u>FUND</u>	<u>PUBLIC WORKS</u> <u>FUND</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 177,320
10,155	-	25,699
8,000	-	8,000
58,700	-	58,700
-	-	107,303
<u>76,855</u>	<u>-</u>	<u>377,022</u>
-	-	82,497
3,245	-	38,800
<u>243,100</u>	<u>-</u>	<u>626,275</u>
<u>246,345</u>	<u>-</u>	<u>747,572</u>
(169,490)	-	(370,550)
-	-	317,565
<u>(157,000)</u>	<u>-</u>	<u>(160,685)</u>
<u>(157,000)</u>	<u>-</u>	<u>156,880</u>
(326,490)	-	(213,670)
593,913	17,932	1,333,533
-	(17,932)	(17,932)
<u>\$ 267,423</u>	<u>\$ -</u>	<u>\$ 1,101,931</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

STATE GAS TAX FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Intergovernmental				
State Gas Tax	\$ 730,000	\$ 830,000	\$ 633,800	\$ (196,200)
Charges for use of money and property				
Interest on Investments	10,000	10,000	984	(9,016)
Miscellaneous	1,000	-	11,285	11,285
	<u>741,000</u>	<u>840,000</u>	<u>646,069</u>	<u>(193,931)</u>
<b>Total Revenues</b>				
<b>EXPENDITURES</b>				
Public Works				
Personal Services	478,506	478,506 (1)	434,643	43,863
Materials and Services	393,470	493,470 (1)	411,128	82,342
Total Street Maintenance	<u>871,976</u>	<u>971,976</u>	<u>845,771</u>	<u>126,205</u>
Contingency	<u>10,324</u>	<u>10,324 (1)</u>	<u>-</u>	<u>10,324</u>
<b>Total Expenditures</b>	<u>882,300</u>	<u>982,300</u>	<u>845,771</u>	<u>136,529</u>
Excess of Revenues Over (Under) Expenditures	(141,300)	(142,300)	(199,702)	(57,402)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(8,700)	(8,700) (1)	(8,700)	-
Transfers In	50,000	50,000	180,000	130,000
Total Transfers	<u>41,300</u>	<u>41,300</u>	<u>171,300</u>	<u>130,000</u>
Net Change in Fund Balance	(100,000)	(101,000)	(28,402)	72,598
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>165,000</u>	<u>165,000</u>	<u>64,229</u>	<u>(100,771)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 65,000</u>	<u>\$ 64,000</u>	<u>\$ 35,827</u>	<u>\$ (28,173)</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

SPECIAL POLICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental				
Other Grants	\$ -	\$ -	\$ 4,726	\$ 4,726
Total Intergovernmental	-	-	4,726	4,726
Charges for Services				
DUII Impact Panel Fees	7,000	7,000	6,940	(60)
DRE Reimbursement	-	-	1,132	(1,132)
Fire Fees	2,800	2,800	574	(2,226)
Total Charges for Services	9,800	9,800	8,646	(1,154)
Charges for use for money and property				
Interest on Investments	1,000	1,000	1,215	215
Miscellaneous	2,450	2,450	3,079	629
Total Revenues	13,250	13,250	17,666	4,416
<b>EXPENDITURES</b>				
Public Safety				
Personal Services	11,000	11,000 (1)	4,808	6,192
Materials and Services	43,350	43,350 (1)	42,916	434
Capital Outlay	7,000	7,000 (1)	-	7,000
Total Expenditures	61,350	61,350	47,724	13,626
Excess of Revenues Over (Under) Expenditures	(48,100)	(48,100)	(30,058)	18,042
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	5,000	5,000	5,000	-
Net Change in Fund Balance	(43,100)	(43,100)	(25,058)	18,042
FUND BALANCE - BEGINNING OF YEAR	43,100	43,100	64,815	21,715
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 39,757	\$ 39,757

(1) Appropriation Level



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

<u>HOTEL/MOTEL TAX FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Taxes				
Hotel/Motel Tax	\$ 525,000	\$ 525,000	\$ 459,824	\$ (65,176)
Charges for use of money and property				
Interest on Investments	10,000	10,000	5,644	(4,356)
Property Rentals	1,000	1,000	5,619	4,619
Total Charges for use of money and property	11,000	11,000	11,263	263
Total Revenues	536,000	536,000	471,087	(64,913)
<b>EXPENDITURES</b>				
Public Works				
Personal Services	229,325	229,325 (1)	217,558	11,767
Materials and Services	426,450	426,450 (1)	334,375	92,075
Contingency	8,225	8,225 (1)	-	8,225
Total Expenditures	664,000	664,000	551,933	112,067
Excess of Revenues Over (Under) Expenditures	(128,000)	(128,000)	(80,846)	(176,980)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	(52,000)	(52,000) (1)	(52,000)	-
Total Other Financing Sources, (Uses)	(52,000)	(52,000)	(52,000)	-
Net Change in Fund Balance	(180,000)	(180,000)	(132,846)	47,154
<b>FUND BALANCE - BEGINNING OF YEAR</b>	310,000	310,000	295,505	(14,495)
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ 162,659</u>	<u>\$ 32,659</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

<u>LIBRARY FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Taxes				
County Serial Levy	\$ 882,700	\$ 882,700	\$ 866,082	\$ (16,618)
Intergovernmental				
State Library Grant	3,800	3,800	4,218	418
Total Intergovernmental	3,800	3,800	4,218	418
Charges for Services				
Copies	3,000	3,000	3,740	740
Database Specialist Fees	57,021	57,021	56,769	(252)
Library Fees	26,000	26,000	24,880	(1,120)
Total Charge for Services	86,021	86,021	85,389	(632)
Charges for use of money and property				
Interest on Investments	17,400	17,400	9,937	(7,463)
Property Rentals	3,400	3,400	3,849	449
Total Charges for use of money and property	20,800	20,800	13,786	(7,014)
Miscellaneous				
Donations	20,000	20,000	91,461	71,461
Other	-	-	3,040	3,040
Total Miscellaneous	20,000	20,000	94,501	74,501
Total Revenues	1,013,321	1,013,321	1,063,976	50,655
<b>EXPENDITURES</b>				
Cultural and Recreation				
Personal Services	759,532	759,532 (1)	757,008	2,524
Materials and Services	234,100	234,100 (1)	261,983	(27,883)
Capital Outlay	12,650	12,650 (1)	13,595	(945)
Contingency	423,039	423,039 (1)	-	423,039
Total Expenditures	1,429,321	1,429,321	1,032,586	396,735
Net Change in Fund Balance	(416,000)	(416,000)	31,390	447,390
FUND BALANCE - BEGINNING OF YEAR	416,000	416,000	464,029	48,029
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 495,419	\$ 495,419

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

911 TAX FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
911 Revenue	\$ 164,500	\$ 164,500	\$ 162,403	\$ (2,097)
Interest	2,500	2,500	2,086	(414)
<b>Total Revenues</b>	<u>167,000</u>	<u>167,000</u>	<u>164,489</u>	<u>(2,511)</u>
<b>EXPENDITURES</b>				
Public Safety				
Personal Services	145,828	145,828 (1)	134,620	11,208
Materials and Services	89,850	89,850 (1)	76,744	13,106
Contingency	5,272	5,272 (1)	-	5,272
<b>Total Expenditures</b>	<u>240,950</u>	<u>240,950</u>	<u>211,364</u>	<u>29,586</u>
Net Change in Fund Balance	(73,950)	(73,950)	(46,875)	27,075
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>143,950</u>	<u>143,950</u>	<u>143,590</u>	<u>(360)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ 96,715</u>	<u>\$ 26,715</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

RAINY DAY RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 143	\$ 143
Total Revenues	-	-	143	143
<b>EXPENDITURES</b>				
Contingency				
Reserve for Future Expenditures	27,690	27,690 (1)	-	27,690
Total Expenditures	27,690	27,690	-	27,690
Excess of Revenues Over (Under) Expenditures	(27,690)	(27,690)	143	27,833
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In	27,690	27,690	27,690	-
Total Other Financing Sources, (Uses)	27,690	27,690	27,690	-
Net Change in Fund Balance	-	-	27,833	27,833
<b>FUND BALANCE - BEGINNING OF YEAR</b>	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,833</u>	<u>\$ 27,833</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

GENERAL OBLIGATION BOND REDEMPTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Taxes	\$ 527,000	\$ 527,000	\$ 521,542	\$ (5,458)
Charges for use of money and property				
Interest on Investments	-	-	4,576	4,576
<b>Total Revenues</b>	<u>527,000</u>	<u>527,000</u>	<u>526,118</u>	<u>(882)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	225,000	225,000	460,000	(235,000)
Interest	327,000	327,000	33,190	293,810
<b>Total Expenditures</b>	<u>552,000</u>	<u>552,000 (1)</u>	<u>493,190</u>	<u>58,810</u>
Net Change in Fund Balance	(25,000)	(25,000)	32,928	57,928
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>25,000</u>	<u>25,000</u>	<u>74,866</u>	<u>49,866</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,794</u>	<u>\$ 107,794</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

<u>REVENUE BOND FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Intergovernmental				
CB-NB Water Board	\$ 579,160	\$ 579,160	\$ 579,106	\$ (54)
Interest on Investments	-	-	558	558
Total Revenues	<u>579,160</u>	<u>579,160</u>	<u>579,664</u>	<u>504</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	334,781	334,781	334,781	-
Interest	244,379	244,379	244,286	93
Total Expenditures	<u>579,160</u>	<u>579,160 (1)</u>	<u>579,067</u>	<u>93</u>
Net Change in Fund Balance	-	-	597	597
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 597</u>	<u>\$ 597</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

STREET IMPROVEMENT FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Intergovernmental				
State	\$ 134,000	\$ 134,000	\$ 162,675	\$ 28,675
Charges for use of money and property				
Interest on Investments	-	-	518	518
Miscellaneous	-	-	165	165
Total Revenues	<u>134,000</u>	<u>134,000</u>	<u>163,358</u>	<u>29,358</u>
<b>EXPENDITURES</b>				
Public Works				
Capital Outlay	<u>134,000</u>	<u>197,000 (1)</u>	<u>196,539</u>	<u>461</u>
Total Expenditures	<u>134,000</u>	<u>197,000</u>	<u>196,539</u>	<u>461</u>
Excess of Revenues Over (Under) Expenditures	-	(63,000)	(33,181)	29,819
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	33,000	-	(33,000)
Net Change in Fund Balance	-	(30,000)	(33,181)	(3,181)
FUND BALANCE - BEGINNING OF YEAR	-	30,000	56,327	26,327
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,146</u>	<u>\$ 23,146</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

PARKS IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 100	\$ 100	\$ 856	\$ 756
Donations	2,700	72,700	67,772	(4,928)
Total Revenues	<u>2,800</u>	<u>72,800</u>	<u>68,628</u>	<u>(4,172)</u>
<b>EXPENDITURES</b>				
Culture and Recreation				
Personal Services	-	90,000 (1)	82,497	7,503
Materials and Services	2,700	2,700 (1)	2,478	222
Capital Outlay	1,741	81,741 (1)	76,743	4,998
Total Expenditures	<u>4,441</u>	<u>174,441</u>	<u>161,718</u>	<u>12,723</u>
Excess of Revenues Over (Under)				
Expenditures	(1,641)	(101,641)	(93,090)	8,551
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	100,000	100,000	-
Net Change in Fund Balance	(1,641)	(1,641)	6,910	8,551
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>2,141</u>	<u>2,141</u>	<u>4,347</u>	<u>2,206</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 11,257</u>	<u>\$ 10,757</u>

(1) Appropriation Level



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

BIKE/PEDESTRIAN PATH CONSTRUCTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 600	\$ 600	\$ 329	\$ (271)
Total Revenues	600	600	329	(271)
<b>EXPENDITURES</b>				
Culture and Recreation				
Capital Outlay	22,400	22,400 (1)	-	22,400
Total Expenditures	22,400	22,400	-	22,400
Excess of Revenues Over (Under)				
Expenditures	(21,800)	(21,800)	329	22,129
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	8,000	8,000	7,500	(500)
Total Other Financing Sources (Uses)	7,500	7,500	7,500	-
Net Change in Fund Balance	(14,300)	(14,300)	7,829	22,129
<b>FUND BALANCE - BEGINNING OF YEAR</b>	14,300	14,300	14,717	417
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 22,546	\$ 22,546

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

SPECIAL IMPROVEMENT FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 1,200	\$ 1,200	\$ 686	\$ (514)
Miscellaneous				
Principal	2,000	2,000	14,366	12,366
Interest	2,000	2,000	-	(2,000)
Total Miscellaneous	4,000	4,000	14,366	10,366
Total Revenues	5,200	5,200	15,052	9,852
<b>EXPENDITURES</b>				
Culture and Recreation				
Materials and Services	15,000	15,000 (1)	-	15,000
Capital Outlay	19,200	19,200 (1)	-	19,200
Total Expenditures	34,200	34,200	-	34,200
Net Change in Fund Balance	(29,000)	(29,000)	15,052	44,052
<b>FUND BALANCE - BEGINNING OF YEAR</b>	29,000	29,000	32,863	3,863
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,915</u>	<u>\$ 47,915</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

INSURANCE RESERVE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 9,000	\$ 9,000	\$ 4,262	\$ (4,738)
Total Revenues	<u>9,000</u>	<u>9,000</u>	<u>4,262</u>	<u>(4,738)</u>
<b>EXPENDITURES</b>				
Culture and Recreation				
Reserve for Future Expenditures	239,000	239,000 (1)	-	239,000
Total Expenditures	<u>239,000</u>	<u>239,000</u>	<u>-</u>	<u>239,000</u>
Excess of Revenues Over (Under)				
Expenditures	(230,000)	(230,000)	4,262	234,262
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net Change in Fund Balance	(210,000)	(210,000)	24,262	234,262
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>210,000</u>	<u>210,000</u>	<u>209,023</u>	<u>(977)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,285</u>	<u>\$ 233,285</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2009**

TECHNOLOGY RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 1,000	\$ 1,000	\$ 917	\$ (83)
Miscellaneous, Grants	-	-	25,000	25,000
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>25,917</u>	<u>24,917</u>
<b>EXPENDITURES</b>				
General Government				
Materials and Services	35,000	35,000 (1)	28,080	6,920
Capital Outlay	163,395	163,395 (1)	98,269	65,126
Total Expenditures	<u>198,395</u>	<u>198,395</u>	<u>126,349</u>	<u>72,046</u>
Excess of Revenues Over (Under) Expenditures	(197,395)	(197,395)	(100,432)	96,963
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	186,380	186,380	186,380	-
Transfers Out	(3,685)	(3,685) (1)	(3,685)	-
Total Other Financing Sources (Uses)	<u>182,695</u>	<u>182,695</u>	<u>182,695</u>	<u>-</u>
Net Change in Fund Balance	(14,700)	(14,700)	82,263	96,963
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>20,000</u>	<u>20,000</u>	<u>25,892</u>	<u>5,892</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,300</u>	<u>\$ 5,300</u>	<u>\$ 108,155</u>	<u>\$ 102,855</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

TRANSPORTATION SDC FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 3,800	\$ 3,800	\$ 2,107	\$ (1,693)
Charges for Services				
SDC Improvement Fees	57,000	57,000	-	(57,000)
Total Revenues	<u>60,800</u>	<u>60,800</u>	<u>2,107</u>	<u>(58,693)</u>
<b>EXPENDITURES</b>				
Public Works				
Capital Outlay	156,800	156,800 (1)	-	156,800
Total Expenditures	<u>156,800</u>	<u>156,800</u>	<u>-</u>	<u>156,800</u>
Net Change in Fund Balance	(96,000)	(96,000)	2,107	98,107
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>96,000</u>	<u>96,000</u>	<u>99,993</u>	<u>3,993</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,100</u>	<u>\$ 102,100</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

<u>WASTEWATER SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 7,480	\$ 7,480	\$ 4,916	\$ (2,564)
Charges for Services				
SDC Improvement Fees	122,700	122,700	-	(122,700)
SDC Reimbursement Fees	13,850	13,850	-	(13,850)
SDC Compliance Fees	4,450	4,450	-	(4,450)
Total Charges for Services	141,000	141,000	-	(141,000)
Total Revenues	148,480	148,480	4,916	(143,564)
<b>EXPENDITURES</b>				
Wastewater Collection and Treatment				
Capital Outlay	337,580	337,580	(1) -	337,580
Total Expenditures	337,580	337,580	-	337,580
Net Change in Fund Balance	(189,100)	(189,100)	4,916	194,016
<b>FUND BALANCE - BEGINNING OF YEAR</b>	189,100	189,100	233,322	44,222
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 238,238</u>	<u>\$ 238,238</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

<u>STORMWATER SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 600	\$ 400	\$ 378	\$ (22)
Charges for Services				
SDC Improvement Fees	9,500	49,867	-	(49,867)
SDC Compliance Fees	2,000	11,236	-	(11,236)
<b>Total Revenues</b>	<u>12,100</u>	<u>61,503</u>	<u>378</u>	<u>(49,889)</u>
<b>EXPENDITURES</b>				
Public Works				
Capital Outlay	28,100	28,100 (1)	-	28,100
<b>Total Expenditures</b>	<u>28,100</u>	<u>28,100</u>	<u>-</u>	<u>28,100</u>
Net Change in Fund Balance	(16,000)	33,403	378	(33,025)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>16,000</u>	<u>16,000</u>	<u>17,969</u>	<u>1,969</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 49,403</u>	<u>\$ 18,347</u>	<u>\$ (31,056)</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

COUNTY-WIDE CAD CORE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 800	\$ 800	\$ 575	\$ (225)
Intergovernmental				
Revenue from Other Agencies	14,741	14,741	14,645	(96)
Total Revenues	15,541	15,541	15,220	(321)
<b>EXPENDITURES</b>				
General Government				
Materials and Services	5,500	5,500 (1)	4,997	503
Capital Outlay	41,426	41,426 (1)	11,624	29,802
Total Expenditures	46,926	46,926	16,621	30,305
Excess of Revenues Over (Under)				
Expenditures	(31,385)	(31,385)	(1,401)	29,984
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,685	3,685	3,685	-
Net Change in Fund Balance	(27,700)	(27,700)	2,284	29,984
<b>FUND BALANCE - BEGINNING OF YEAR</b>	27,700	27,700	27,235	(465)
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 29,519	\$ 29,519

(1) Appropriation Level



**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2009**

MAJOR CAPITAL RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for use of money and property				
Interest on investments	\$ 15,000	\$ 15,000	\$ 10,155	\$ (4,845)
Grants	-	-	8,000	8,000
Others - Timber Sales	-	43,000	58,700	15,700
Total Revenues	<u>15,000</u>	<u>58,000</u>	<u>76,855</u>	<u>18,855</u>
<b>EXPENDITURES</b>				
General Government				
Materials and Services	20,000	20,000 (1)	3,245	16,755
Capital Outlay	244,000	244,000 (1)	243,100	900
Others - Reserve for Future Expenditures	104,000	104,000 (1)	-	104,000
Total Expenditures	<u>368,000</u>	<u>368,000</u>	<u>246,345</u>	<u>121,655</u>
Excess of Revenues Over (Under) Expenditures	(353,000)	(310,000)	(169,490)	140,510
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(147,000)	(190,000) (1)	(157,000)	33,000
Total Other Financing Sources (Uses)	<u>(147,000)</u>	<u>(190,000)</u>	<u>(157,000)</u>	<u>33,000</u>
Net Change in Fund Balance	(500,000)	(500,000)	(326,490)	173,510
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>500,000</u>	<u>500,000</u>	<u>593,913</u>	<u>93,913</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,423</u>	<u>\$ 267,423</u>

(1) Appropriation Level

CITY OF COOS BAY  
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 ACTUAL AND BUDGET - BUDGETARY BASIS  
 For the Year Ended June 30, 2009

PUBLIC WORKS EQUIPMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>EXPENDITURES</b>				
Public works				
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Net Change in Fund Balance	-	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	-	-	(17,932)	(17,932)
Prior Period Adjustment	-	-	17,932	17,932
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING STATEMENT OF NET ASSETS  
NONMAJOR PROPRIETARY FUNDS**

June 30, 2009

	<u>BUILDING CODES</u>	<u>BUILDING CODES RESERVE</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 426,542	\$ 66,396	\$ 492,938
Total Assets	<u>\$ 426,542</u>	<u>\$ 66,396</u>	<u>\$ 492,938</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 5,814	\$ -	\$ 5,814
Deposits	626	-	626
Accrued Vacation	10,625	-	10,625
Total Liabilities	<u>17,065</u>	<u>-</u>	<u>17,065</u>
<b>NET ASSETS</b>			
Restricted for Other Uses	<u>409,477</u>	<u>66,396</u>	<u>475,873</u>
Total Net Assets	<u>\$ 409,477</u>	<u>\$ 66,396</u>	<u>\$ 475,873</u>

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
For the Year Ended June 30, 2009**

	BUILDING CODES	BUILDING CODES RESERVE	TOTAL
<b>OPERATING REVENUES</b>			
Licenses and Permits	\$ 187,788	\$ -	\$ 187,788
Total Operating Revenues	187,788	-	187,788
<b>OPERATING EXPENSES</b>			
Personal Services	251,206	-	251,206
Materials and Services	44,321	-	44,321
Capital Outlay	-	10,000	10,000
Total Operating Expenses	295,527	10,000	305,527
Operating Income (Loss)	(107,739)	(10,000)	(117,739)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest on Investments	10,572	1,204	11,776
Other Revenue (Expenses)	39	-	39
Total Non-Operating Revenues (Expenses)	10,611	1,204	11,815
Net Income (Loss) before Operating Transfers	(97,128)	(8,796)	(105,924)
<b>TRANSFERS</b>			
Transfers Out	-	(3,000)	(3,000)
Net Transfers	-	(3,000)	(3,000)
Change in Net Assets	(97,128)	(11,796)	(108,924)
Total Net Assets - Beginning of Year	506,605	78,192	584,797
Total Net Assets - End of Year	\$ 409,477	\$ 66,396	\$ 475,873

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2009**

BUILDING CODES FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Licenses and Permits	\$ 211,250	\$ 211,250	\$ 187,788	\$ (23,462)
Charges for use of money and property				
Interest on Investments	17,000	17,000	10,572	(6,428)
Miscellaneous	100	100	39	(61)
	<u>228,350</u>	<u>228,350</u>	<u>198,399</u>	<u>(29,951)</u>
Total Revenues				
<b>EXPENDITURES</b>				
Public Works				
Personal Services	359,037	359,037 (1)	251,206	107,831
Materials and Services	62,010	62,010 (1)	44,321	17,689
Contingency	22,303	22,303 (1)	-	22,303
	<u>443,350</u>	<u>443,350</u>	<u>295,527</u>	<u>147,823</u>
Total Expenditures				
Net Change in Fund Balance	(215,000)	(215,000)	(97,128)	117,872
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>435,000</u>	<u>435,000</u>	<u>506,605</u>	<u>71,605</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 220,000</u>	<u>\$ 220,000</u>	<u>\$ 409,477</u>	<u>\$ 189,477</u>

(1) Appropriation Level

**CITY OF COOS BAY  
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2009**

<u>BUILDING CODES RESERVE FUND</u>				VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Charges for use of money and property				
Interest on Investments	\$ 1,500	\$ 1,500	\$ 1,204	\$ (296)
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>1,204</u>	<u>(296)</u>
<b>EXPENDITURES</b>				
Public Works				
Capital Outlay	35,000	35,000 (1)	10,000	25,000
Reserve for Future Expenditures	<u>8,500</u>	<u>8,500 (1)</u>	<u>-</u>	<u>8,500</u>
Total Expenditures	<u>43,500</u>	<u>43,500</u>	<u>10,000</u>	<u>33,500</u>
Excess of Revenues Over (Under) Expenditures	(42,000)	(42,000)	(8,796)	33,204
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(3,000)</u>	<u>(3,000) (1)</u>	<u>(3,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Net Change in Fund Balance	(45,000)	(45,000)	(11,796)	33,204
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>45,000</u>	<u>45,000</u>	<u>78,192</u>	<u>33,192</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,396</u>	<u>\$ 66,396</u>

(1) Appropriation Level

CITY OF COOS BAY  
COOS COUNTY, OREGON

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND  
For the Year Ended June 30, 2009

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	<u>BALANCE</u> <u>JUNE 30, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
ASSETS				
Cash and Investments	<u>\$ 61,807</u>	<u>\$ 272,622</u>	<u>\$ 285,231</u>	<u>\$ 49,198</u>
LIABILITIES				
Due to Student Organizations	<u>\$ 61,807</u>	<u>\$ 272,622</u>	<u>\$ 285,231</u>	<u>\$ 49,198</u>

CITY OF COOS BAY  
COOS COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED

For the Year Ended June 30, 2009

General Fund:						
TAX YEAR	IMPOSED LEVY OR OR BALANCE UNCOLLECTED AT 7/1/08	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/09
Current:						
2008-09	\$ 5,059,276	\$ 120,151	\$ (16,218)	\$ 3,647	\$ 4,614,183	\$ 312,371
Prior Years:						
2007-08	273,203	(283)	(11,173)	10,163	145,912	126,564
2006-07	110,334	(16)	9,597	8,469	61,919	66,497
2005-06	52,916	(9)	4,504	7,706	38,409	26,726
2004-05	18,920	(2)	1,928	4,894	21,617	4,127
2003-04 & Prior	13,311	(1)	(1,432)	820	2,887	9,813
Total Prior	468,684	(311)	3,424	32,052	270,744	233,727
Total All Funds	\$ 5,527,960	\$ 119,840	\$ (12,794)	\$ 35,699	\$ 4,884,927	\$ 546,098

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurer Above	\$ 4,884,927
Accrual of Receivables:	
June 30, 2008	71,587
June 30, 2009	(36,770)
Taxes in Lieu of Property Taxes	(21,602)
Total Revenue	<u>\$ 4,898,142</u>

Debt Service Fund:

2008-09	\$ 573,487	\$ 13,620	\$ (1,838)	\$ 413	523,034	\$ 35,408
Prior Years:						
2007-08	-	-	-	-	-	-
2006-07	11,015	-	(11,015)	-	-	-
2005-06	5,563	-	(5,563)	-	-	-
2004-05	2,280	-	(2,280)	-	-	-
2003-04 & Prior	1,756	-	(1,756)	-	-	-
Total Prior	20,614	-	(20,614)	-	-	-
Total All Funds	\$ 594,101	\$ 13,620	\$ (22,452)	\$ 413	\$ 523,034	\$ 35,408

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurer Above	\$ 523,034
Accrual of Receivables:	
June 30, 2008	(2,036)
June 30, 2009	7,110
Taxes in Lieu of Property Taxes	(6,566)
Total Revenue	<u>\$ 521,542</u>



**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**

2008-2009 AUDITORS' COMMENTS AND DISCLOSURES



**PAULY, ROGERS AND CO., P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

- 
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
  - (503) 620-2632 • FAX (503) 684-7523

December 1, 2009

2008-2009 AUDITORS' COMMENTS AND DISCLOSURES

Oregon Administrative Rules 162-10-000 through 162-16-000, the Minimum Standards for Audits of Oregon Municipal Corporations, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in preceding pages of this report. Required comments and disclosures related to our audit of such statements and schedules are set forth as follows:

REPORT ON INTERNAL ACCOUNTING CONTROL

We have audited the basic financial statements of the City of Coos Bay, Oregon, as of and for the year ended June 30, 2009, and have issued our report thereon dated December 1, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Management is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of basic financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the basic financial statements for the year ended June 30, 2009, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

CITY OF COOS BAY  
2008-2009 AUDITORS' COMMENTS AND DISCLOSURES

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INTERNAL CONTROL (CONTINUED)

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected by the internal controls.

Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

A material weakness is a significant deficiency in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the city council, audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

ACCOUNTING RECORDS

The records and systems were adequate to meet audit requirements.

BUDGET TRANSACTIONS

Expenditures of the various funds appeared to be within authorized appropriations, except as noted on page 23.

2008-2009 and 2009-2010 BUDGETS

The budgets adopted for the current and ensuing fiscal year were examined during the audit. Based on our testing, it appeared that budget preparation and adoption procedures were in compliance with the Oregon Local Budget Law.

COLLATERAL SECURING BANK DEPOSITS

Deposits appeared to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury throughout the year based upon our testing. Deposits in the State Local Government Investment Pool are not required to be collateralized.

CITY OF COOS BAY  
2008-2009 AUDITORS' COMMENTS AND DISCLOSURES

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STATUTORY BONDED DEBT LIMITATION

The bonded debt outstanding appeared to be within the limitation established by Oregon Law.

INSURANCE AND FIDELITY BONDS

We are not aware of any failure to comply with legal requirements relating to insurance and fidelity bonds, however, we are not competent by training and experience to comment on the adequacy of insurance coverage.

PUBLIC CONTRACTS AND PURCHASING

The procedures for awarding public contracts were reviewed and, based on our testing, appeared to be in compliance with ORS Chapter 279 during 2008-2009.

INVESTMENTS

Based on our testing, we are not aware of any failure to comply with legal requirements relating to the investment of public funds.

PROGRAMS FUNDED FROM OUTSIDE SOURCES

We reviewed and tested, to the extent we considered necessary in the circumstances, transactions and reports relative to federal and state grant programs. Since less than \$500,000 in federal financial assistance was expended for the year ended June 30, 2009, it was not necessary to perform, nor did we perform, tests in accordance with the Federal Single Audit Act, as amended (U.S. Office of Management and Budget Circular A-133).

HIGHWAY FUNDS

Based on our testing, we are not aware of any failure to comply with programs funded from State Highway funds received during the year ended June 30, 2009.

INDEPENDENT ELECTED OFFICIALS

No elected official collected or received funds on behalf of the City.

*Pauly, Rogers and Co. P.C.*  
PAULY, ROGERS AND CO., P.C.